

Banks-1929

NATIVE AFRICANS LAUNCH HALF MIL- LION DOLLAR BANK

Reporter
Lagos, Nigeria, West Africa, March 3.—(By A.N.P.)—One of the largest financial institutions operated by Negroes in any part of the world was launched here this week, when the Industrial and Commercial Bank, Ltd., was chartered.

The institution is capitalized at approximately a half million dollars with the privilege of increasing this capital as business warrants. According to the announcement made Thursday by Candido Da Rocha, financier and realtor, who is chairman of the board of directors, banking business in all of its ramifications will be engaged in, with a specific effort to develop the economic independence of the natives.

One of the immediate objects of the bank will be to complete the promotion of the West African Cooperative Producers, Ltd., a company incorporated as a central organization for the development of cooperative societies in the various districts of Nigeria and the Gold Coast for furthering the interest of scientific agriculture and cooperative marketing. This corporation engaging in export and import business, boasts of doing more than \$16,000,000 worth of business each year.

American Negro Is Secretary

The secretary of the newly organized Industrial and Commercial Bank, Ltd., is Charles C. Craft, a well-known young American Negro, who has been in Nigeria for several years. Mr. Craft, who hails from New York City is one of the most energetic promoters in West Africa and has done effective work in the organization and promotion of the West African Cooperative Producers, Ltd.

The plan of the banking institution is to make it a world-wide cooperative business, with representatives in practically every civilized country. To this end representatives and attorneys have been retained in the various countries, including France, England and America.

The American representative is Attorney Harold M. Tyler, prominent attorney of Chicago, Illinois, who will also serve as American counsel to the

corporation.

Among the outstanding business men connected with the institution are: Candido Da Rocha, chairman of the board of directors, and the following members of the board: Winfred Tote-Ansa, organizer and vice chairman; Alfred Ade Oshodi, financier; Phillip Henryson Williamson, merchant; David Augustus Taylor, merchant; Samuel Omoyomi Akiwumi merchant; Dr. Frederick Victor Nanka Bruce, director of the Gold Coast Independent Press, Ltd.; Alfred John Ocansey, merchant, proprietor of chain stores in Accra, Noe George Owoo, merchant; Dr. Joseph Henry Murrel, and Robert Mills Lamptey, produce merchant. The bank will be managed by Marcel Tedoscli, formerly of the Bank of Paris

**\$500,000
BANK FOR
AFRICA**

*Journal and
Guide*
**American Negro To
Be Secretary Of
Institution**

FOR WORLD TRADE

Lagos, Nigeria, West Africa, Mar. 2—ANP—One of the largest financial institutions operated by Negroes in any part of the world was launched here this week, when the Industrial and Commercial Bank, Ltd., was chartered.

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Africa.

The Freedmen's Bank

The effort of the National Memorial Association to secure possession of funds held by the government for depositors of the Freedmen's Savings Bank and Trust Company, defunct since 1874 revives an issue which stirred the country after the Civil War but has been dead since 1910.

The bank was established in Washington in 1865, and extended its branches into 33 cities. It was chartered by the government, okayed by President Lincoln and regarded as an auxiliary to the Federal Freedmen's Bureau by General O. O. Howard.

It failed because of poor management, and lack of proper government supervision, owing 61,144 depositors \$2,993,790.

The assets of the bank were liquidated and, at the rate of 60 cents on the dollar, depositors were paid \$1,731,854, leaving \$1,261,936 still due them. This sum is not in the government treasury. Circulars sent out by the Treasury Department as late as 1927 declare that there are no more Freedmen's Bank funds on hand.

But leading men of the country took the position that the government should assume the loss of the depositors, because of its semi-government character. Frederick Douglass, General Howard and practically every comptroller of the U. S. Treasury, Democrat or Republican, has held this view from 1881 to 1908.

Bills were also proposed in Congress to appropriate the necessary funds to reimburse the losers.

John R. Lynch's bill, to set apart \$969,000 for this purpose, was unfavorably reported in 1883.

President Cleveland recommended it in 1886 and the measure which had his support passed the Senate but failed in the House.

Senator Gallinger's bill, introduced in 1907, suffered a similar fate. The last measure to aid the Freedmen depositors died in the House in 1910 without being reported out of committee.

This will-o'-the-wisp thing is the alleged "huge fund between \$2,500,000 and \$3,000,000 belonging to Negroes lying dormant in the U. S. Treasury," which the Association is seeking to secure for a national Negro memorial.

The delegation went to the President without the facts in hand. Its estimate must be cut by two-thirds, and it offers no new facts to justify re-opening a 55-year-old issue which administrations far more favorable to the Negro than that of President Hoover did not decide favorably.

President Hoover, opposed to any large governmental aid to the memorial, would hardly be moved by any such plan.

Incidentally, the Memorial Association's proposal recalls the frightful ignorance of our day concerning Negro history.

We recommend that the Baltimore High School pupils who are now engaged in debating the question whether or not the electoral college should be abolished, turn their attention to mastering the history of black America. There is far more interest in "Should the government reimburse the depositors of the Freedmen's Bank," and a study of the question by all our schools will perhaps prevent further delegations going to the White House on this subject.

WASHINGTON BANK
ELECTS NEW OFFICIALS

THE OFFICIAL FAMILY of the Industrial Savings Bank, located at 11th and U streets, northwest, who launched their million-dollar program by electing W. H. C. Brown, president. They are (upper left) W. A. Bowie, cashier; (center) the bank building; (upper right) John H. Simms, vice-president; (lower left) Walter L. Carter, assistant cashier; (lower center) W. H. C. Brown, president; the late John W. Lewis, founder and first president, and Walter S. Carter, newly elected chairman of the Board of Directors.

The American
2-22-29
Gary, Ind.

W.H.C. BROWN ELECTED BY INDUSTRIAL

Prominent Investment Au- thority Selected to Head Million Dollar Program

The stockholders of the Industrial Savings Bank, Eleventh and U streets, northwest, last Tuesday, January 22, elected W. H. C. Brown, prominent investment banker, formerly of Newport News, Va., as president.

The annual reports of the officers of the institution showed the bank has just closed one of the most successful years in its history. The ninth consecutive dividend of 6 per cent. was declared to its stockholders.

\$50,000.00 Capital

The bank's statement shows resources of \$530,260.86. It has a paid in capital of \$50,000.00, and a surplus and undivided profits of \$15,051.76. Its deposits total \$65,209.10.

Mr. Brown, the new president, succeeds Walter S. Carter, who was elected to a newly created office, chairman of the board of directors. Mr. Brown is the third president the bank has had since its organization by the late John W. Lewis, who was its first president.

The new president announced to the stockholders that the bank would immediately launch a campaign to bring the deposits of the institution up to \$1,000,000.

Others Elected

The officers elected were: W. H. C. Brown, president; John H. Simms, vice-president and treasurer; William A. Bowie, cashier; Walter L. Carter, assistant cashier, and Walter S. Carter, chairman of the board of directors.

The following were elected on the board of directors: Joseph A. Briggs, W. H. C. Brown, Wm. A. Bowie, Walter S. Carter, Wm. H. Jackson, John H. Simms, Louis Faulcon, and James Washington.

ELECT NEW BANK HEAD



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Banks - 1929

D.C.

W. H. C. BROWN ELECTED PRESIDENT INDUSTRIAL BANK

The annual meeting of the stockholders of the Industrial Savings Bank was held on Tuesday, January 22, at 3 p. m.

The bank declared a dividend of 6 per cent to its stockholders which is the ninth consecutive dividend of this amount. This is very significant for Negro financial institutions which shows the sound condition of the bank.

The industrial has secured the services of W. H. C. Brown, well known financier of Newport News, Va., and this city, as president. The new president succeeds Mr. Walter S. Carter, who was elected to a newly created office, chairman of the Board of Directors.

Mr. Brown announces that a campaign for the building of deposit up to one million is already under way.

The officers elected were as follows: Walter S. Carter, chairman of the Board; W. H. C. Brown, president; John H. Simms, vice president and treasurer; Wm. A. Bowie, cashier, and Walter L. Carter, assistant cashier.

Directors: Joseph A. Biggs, W. H. C. Brown, Wm. A. Bowie, Walter S. Carter, Wm. H. Jackson, John H. Simms, Louis Faulcon and James H. Washington.

Banks-1929

Florida.

SEVENTH FLORIDA BANK IS CLOSED IN 10-DAY PERIOD

Punta Gorda, Fla., February 18.—
(AP)—Seven banks have been closed in
this section of the state in the last
ten days, with the Punta Gorda bank to-
day of the Fidelity bank and the First
National bank of Punta Gorda. The
former was capitalized at \$50,000 and
the capitalization of the First National
was for a similar sum.

G. W. Smith was president of both
institutions. W. B. Sparks was cash-
ier of the Fidelity bank. E. Smith
cashier of the First National.

Mr. Smith said the closing of the
local depositories was a temporary ar-
rangement for the purpose of protect-
ing the interests of depositors and that
a reopening would be arranged imme-
diately.

Other banks closed include one at
Sebring, two at Wauchula, and two
at Avon Park.

Banks - 1929

THREE MINORITY RACES

A recent release by Major R. R. Wright, president of the National Negro Bankers' Association, states that there are 33 Negro banks in the United States having the sum of \$21,000,000 in deposit belonging to 350,000 depositors, with an average deposit of \$70 per person. And Mr. Wright says, "These figures reflect the confidence and colored people have in their well conducted institutions and is very encouraging."

We would take issue with President Wright, for we do not think an average of \$70 per depositor "reflects" any "confidence" in "well conducted institutions." The average of \$70 does not equal the value of one share of the ordinary stock of \$100.00. And if a person does not have one share, a person isn't demonstrating much confidence. A \$70 average for bank deposits is insignificant.

On the other hand, all efficiently managed banks have a minimum deposit amount and balance requirement ranging from \$100.00 to \$500.00 for each depositor. Then, according to President Wright's statement, of the average of \$70 per depositor, there is not an efficient Negro bank in the United States, when the minimum requirements of \$100.00 initial deposit and balance is applied. Seventy dollars will not pay its keep.

Now let's make some comparisons. Take the Indian. The U. S. Census shows that there are only 355,901 Indians here and registered under the Department of Indian Affairs. These 355,901 despised Indians are worth \$1,648,075,500.00. This gives an average of \$4,631 for every man, woman and child of the Indians. How does this compare with Mr. Wright's 350,000 Negro depositors? Sure the Indians' total wealth is given while this is voluntary deposits of 350,000 people. But, our total wealth is given as \$2,000,000,000.00 which includes 10,463,131 Negroes against \$1,648,075,500 for only 355,901 Indians. How is that? With our total wealth divided among every man, woman and child, we have an average of less than \$200 compared with the Indian average of \$4,631. Have you given this any particular thought? Do you realize how poor we are? What would be your plan for increasing our economic standing?

Now consider the Jews. In 1926, there were 357,185 Jews, men, women and children, in the United States. An editorial in The Jewish Tribune for March 1, says that the Jews of America raised for charitable purposes in 1928, the sum of \$235,735,855.00. There are 350,000 Negro depositors with \$21,000,000 on deposit in Negro banks. Mr. Wright says this "reflects confidence." Nearly the same number of Jews give ten times the amount Negroes have on deposit to charitable purposes. In other words, the Jew gave an average of more than \$700 per Jew to charitable purposes in 1928, while the Negro had less than \$70 per depositor, not per Negro, in his banks. If the deposits were averaged with the total population it would be less than \$2.00 per person. And Mr. Wright thinks that reflects confidence. There is not a town where Negro banks are located but what Negroes have more money on deposit in white banks than they have in their own banks. Why won't our leaders be honest with the people and tell them the facts in the case?

Take Washington for an example, with two colored banks for 136,000 Negroes, and we do not have a million dollars on deposit in them. In fact their combined resources do not total a million dollars.

On the other hand, go to any white bank in this city and you will find more than a million dollars deposited by Negroes. In fact Negroes have more money on deposit here in white banks than all of the 33 Negro banks have. We fail to see any "confidence" reflected in that, or encouragement.

BANK FAILURES

FOURTEEN banks in Florida and half as many in Alabama have closed their doors within the past two weeks. Millions of dollars of depositors' money have vanished. The national banks, being in the Federal Reserve System, have survived. Therein lies a lesson. In fact, several lessons. In the first place it should awaken sceptical Negroes to the fact that Negro banks are not the only ones that fail, and that white bankers possess no magic derived presumably from their white skins that can enable them to beat economic laws. Many Negroes seem to believe this if we are to judge by the way they flock to put their money in white banks, regardless of the solvency of these institutions. Many of them deposit

General

money in a bank because of the high rate of interest offered forgetting that the higher the rate of interest offered, the more careful the depositor should be about letting such a bank have his money.

The prime requisite in a savings bank is safety, and there are Negro banks just as safe as white banks. All national banks, however, are as a general rule, safer than private banks or state banks, because the United States Treasury is behind them. Depositors might keep these facts in mind and thereby save a lot of money and tears.

Major Wright Surveys Negro Banking Field

By MAJOR R. R. WRIGHT

(President of the National Negro Bankers' Association and also President of the Citizens and Southern Bank & Trust Company, Philadelphia, Pa. Annual address delivered before the fourth annual meeting of the Association in Washington, D. C.)

AT THE beginning of this my fourth annual address, I want to thank the local banks and also the local committee, particularly the Secretary, Mr. Walter L. Carter, assistant cashier of the Industrial Savings Bank, and the Chairman, Mr. Edward Baker, cashier of the Prudential Bank. These gentlemen, by the permission of their presidents, have worked without stint for the success of this meeting. We are indebted to them for all the local arrangements for this association.

I am delighted to see so many present. I have spent considerable time and money in my endeavor to locate the association, after Atlanta, Columbus, O., and Chicago declined to honor their invitation extended last year to the association. I was, however, determined to have an agreeable place. I am delighted to say that I received for Washington the sanction of all of the members of the executive committee. Messrs. Spaulding, Binga, Overton and Rich expressed themselves as being delighted that Washington opened its doors to us. Thus we are here in this beautiful city of magnificent distances—the Capitol of the Nation.

Pardon me if I say I have endeavored to nose out every race bank of the nation. I have secured reports from the banking departments of forty-eight states.

The following is a list of banks so far as I have been able to ascertain:

The Peoples Bank	North Carolina
Commercial Bank	North Carolina
Mechanics & Farmers Bank	North Carolina
Forsythe Savings & Trust Co.	North Carolina
National Negro Finance Corp.	North Carolina
Farmers & Merchants Bank	North Carolina
First Standard Bank	Oklahoma
American Mutual Savings Bank	Kentucky
Peoples Bank & Trust Co.	Kentucky
Citizens Savings Bank & Trust Co.	Tennessee
Binga State Bank	Tennessee
Douglas National Bank	Illinois
Empire Savings & Loan Co.	Illinois
Mutual Savings & Loan Company	Illinois
Peoples Finance Corp.	West Virginia
Victory Savings Bank	Missouri
Charleston Mutual Savings Bank	South Carolina
Citizens & Southern Bank and Trust Co.	South Carolina
Danville Savings Bank & Trust Co.	Pennsylvania
Crown Savings Bank	Virginia
Metropolitan Bank & Trust Co.	Virginia
Commercial Bank & Trust Co.	Virginia
Second Street Savings Bank	Virginia
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Peoples Dime Savings Bank & Trust Association	Virginia
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To meet these drastic conditions our banks will have to resort to every possible opportunity for obtaining the best banking knowledge and experience. May I call your attention to the fact that the American Bankers' Association, in order to meet this condition has organized the American Institute of Banking and has donated thousands of dollars to assist young white men and women in the study of the principles of banking in the great institutions of the country. Even now thousands of banking men and women from parts of America are flocking to Atlantic Coast in order that they may mingle with their fellow

bank. Perhaps the bane of our first banking has been our extreme individualism. Individualism has been the chief element of our weakness. This has not only been the weakness of our banks but has frequently prevented our banks from getting together and sharing the priceless experiences of some of our wisest and most successful business men. These "go-it alone" individuals have been unable to capitalize the wise and valuable experiences which could easily be made the common possession of us all and thus unable each to go back to his bank better prepared to conduct a successful institution. The race banks now in existence and particularly those that have stood from 10 to 25 years, deserve the highest commendation of the people. The past eight or ten years have been the most trying in the history of banking. Many white banks have had to find refuge either in mergers or failure throughout the entire country. Wherefore the entire country has been aroused about the soundness, safety and profitability of banking. It can be easily seen that present conditions demand superb management and superior business ability if we hope to keep our banks liquid, sound, safe and profitable, despite the drastic conditions which

these banks and invited them to be members of our association. From some I have not heard at all, getting together just as other banks that it should be gratifying to all this way can we detect the defects represented. Mr. Lovett and Mr. Spaulding de-augmented better banking methods. Only in this way can be inaugurated better banking methods. Our banking progress must be made by putting our banks on such a safe and sound basis as to win the full confidence of our patrons. We are made painfully aware of the fact that many men who have hitherto entered into banking seem to have been interested only in exploiting the deposits of the people for their own personal benefits. I have just received a letter from one of our bankers, whose bank is unable to send a representative because of dishonesty in one of its officials. The first prerequisites of banking are honesty, reliability and sincerity. No other people should be connected

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On the other hand, all efficiently managed banks have a minimum deposit amount and balance requirement ranging from \$100.00 to \$500.00 for each depositor. Then, according to President Wright's statement, of the average of \$70 per depositor, there is not an efficient Negro bank in the United States, when the minimum requirements of \$100.00 initial deposit and balance is applied. Seventy dollars will not pay its keep.

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Commercial Bank	North Carolina
Mechanics & Farmers Bank	North Carolina
Forestry Savings & Trust Co.	North Carolina
National Negro Finance Corp.	North Carolina
First Standard Bank	Kentucky
American Mutual Savings Bank	Kentucky
Peoples Bank & Trust Co.	Tennessee
Citizens Savings Bank & Trust Co.	Tennessee
Binga State Bank	Illinois
Douglas National Bank	Illinois
Empire Savings & Loan Co.	West Virginia
Mutual Savings & Loan Company	West Virginia
Peoples Finance Corp.	South Carolina
Victory Savings Bank	South Carolina
Charleston Mutual Savings Bank	Pennsylvania
Citizens & Southern Bank & Trust Co.	Pennsylvania
Danville Savings Bank & Trust Co.	Virginia
Crown Savings Bank	Virginia
Metropolitan Bank & Trust Co.	Virginia
Commercial Bank & Trust Co.	Virginia
Second Street Savings Bank	Virginia
St. Luke's Bank & Trust Co.	Virginia
Phoenix Bank of Nagsomond	Virginia
Peoples Dime Savings Bank & Trust Association	Virginia
Roanoke Acorn Banking Co.	Virginia
Industrial Savings Bank	Washington, D. C.
Prudential Bank	Washington, D. C.

or employed in any capacity in a bank.

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The past eight or ten years have been the most trying in the history of banking. Many white banks have had to find refuge either in mergers or failure throughout the entire country. Wherefore the entire country has been aroused about the soundness, safety and profitability of banking. It can be easily seen that present conditions demand superb management and superior business ability if we hope to keep our banks liquid, sound, safe and profitable, despite the drastic conditions which

now surround our banks. To meet these drastic conditions our banks will have to resort to every possible opportunity for obtaining the best banking knowledge and experience.

May I call your attention to the fact that the American Bankers' Association, in order to meet this condition has organized the American Institute of Banking and has donated thousands of dollars to assist young white men and women the study of the principles of banking in the great institutions of country. Even now thousands banking men and women from parts of America are flocking Atlantic Coast in order that they may mingle with their fellow

have written to every one of these banks and invited them to become members of our association. From some I have not heard at all, but I feel very thankful and I think that it should be gratifying to all that are here to have so many banks represented.

Mr. Lovett and Mr. Spaulding deserve much credit for what has been accomplished. I think that most of the bankers, and particularly the men who are actively engaged in banking, are fully aware of the necessity for our organization. Year after year we are getting into our banks better prepared men, for we are realizing that we must do better banking in the present and future than we have done in the past. In this way only can we hope to secure the deposits of our own people, or the deposits of any people. Our own people are beginning to realize that banks are the keystone of

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NATIONAL NEGRO BANKERS

ing the week, some close-up information on stocks, bonds, investments, banking operation, loans and discounts.

FINANCIERS IN SESSION AT NATION'S CAPITAL

Washington, D. C. (Special)—Bankers, financiers and experts along the money line, are making up the 1929 session of the National Negro Bankers Association. These men represent hundreds of thousands in investments, as evidenced in a paid-in capital stock of their institution. Some of these are located north of the Mason and Dixon Line, but the mother of the banks, the incubators from which they came, the originators of the banking idea are all below the line down in the sunny south.

There are two banks to be represented in the meeting. The Douglas National Bank of Chicago, and the new Kenwood National Bank, located in the same city, but the state banks predominate in the meeting. The program, which starts at ten o'clock Thursday morning, will consist of weighty problems that have to do with the money world. Important addresses are scheduled to be made. Two representatives from Nashville are in attendance at the Association. Henry Allen Boyd, who is the president of the oldest Negro Bank in the United States, is scheduled to address these financiers on "How to secure deposits for a bank." His wide experience, his reputation among the Baptist group and among the newspaper men with that of the fraternities, plus the Sunday school workers, and now the bankers, make him a conspicuous figure. He is to be followed on Friday by Mr. A. L. Harkins, the president of the People's Bank and Trust Company, from the same city.

This state organization operates in the capital of the state of Tennessee. Mr. C. C. Spaulding of Durham, the treasurer of the organization, Mr. Wilson Lovett, the former head of the First Standard Bank at Louisville, the secretary of the organization, and a core of others are expected to give the nation's capital, where there are two banks located, whose guests they are and who will be hosts to them dur-

Banks - 1929

THE CITIZENS TRUST COMPANY MAKES PROGRESS

The Citizens Trust Company of Atlanta is the only Negro bank in Georgia, and it is doing a thriving and growing business every day. It is a real bank, increasing its facilities every day for the benefit of its depositors and the public generally.

What makes a bank safe is not whether it is a state or national bank, but the honesty and integrity of the bank's officials. Integrity is the best safeguard you can throw around a bank.

The Citizens Trust is increasing its facilities to do banking business in all of its ramifications every day. It has recently established exchange connections in Atlanta with the Fulton National, and in New York with the Bank of America. Citizens Trust is now in a class with the big banks uptown, and you can buy New York Exchange without going uptown.

The bank is in sound condition. Read its statement as of December 31, 1928. You find no Bills Payable, Deposits \$188,240.67, Cash in Vaults \$86,615.79, and Capital, Surplus, and Reserve \$155,098.32.

The officers are A. T. Walden, President; L. D. Milton, Cashier; J. F. Cook, Asst. Cashier; and the Board of Directors is composed of Messrs. C. R. Yates, Chairman; J. B. Blayton, A. T. Walden, S. W. Walker, C. E. Lucas and L. D. Milton.

The bank is safe and sound, and deserves your patronage.

Directors Are Found Liable

To Amount Over \$100,000 In Wage Earners Crash

More than a year ago the Wage Earners Savings Bank closed its doors. A month afterward, the state banking department entered suit against the directors for the sum of \$227,215.23. The directors

were charged with mismanagement for the remaining assets of the Wage Earners Savings Bank. The Directors of the Wage Earners Savings Bank are subject to the state superintendent of banks in charge of the defunct institution, for alleged irregularities in handling the bank's affairs, Judge P. W. Meldrim of the superior court last week was informed by A. A. Lawrence, who was appointed auditor. Samuel J. Brown, Thomas M. Holly, R. A. Harper, Joseph L. Jackson, J. W. Jamieson, Nathan Roberts, H. M. Collier, J. M. Ferebee, John F. Jones, Sol C. Johnson, E. C. Blackshear and J. E. Williams are directors and officers of the bank.

Through their lawyers, Bohn and Atkinson and Shelby Myrick of record, assisted by J. G. Lemon an answer was filed by the directors. Some time afterward Judge Meldrim appointed Lawyer A. A. Lawrence as auditor in the case. During the past month a hearing was had and evidences thoroughly presented.

Last week the auditor rendered his report to the Judge, assessing the directors the sum of \$104,629.97. This will have to be passed upon by the Judge before it becomes a part of the official record in the case. After this is done the directors have opportunity to have the case tried before a jury, should they so desire, which step has not been ascertained.

Nothing whatever in the hearing was brought out to show that the directors have acted dishonestly or were personally benefitted from any of the transactions; their main offense being that they delegated their duties to others. In this direction a decision states "That the directors of a bank occupying a position of trust, as such owes the duty of exercising ordinary care to see that the officers of the bank perform their duties. A director cannot delegate his duty and discretion to a third person."

The awarded is \$122,585.26 less than the amount demanded.

Offer Made For Bank's Assets

Forty-Five Thousand Dollars Offered

Mr. J. H. Reynolds made an offer

Wage Earners Paying Off

Large Crowd Present To Get

11 1/2 PER CENT

Dividend Which Depositor:

Will Receive

The depositors of the Wage Earners Savings Bank are being paid the first and final dividend. The amount allowed is 11 1/2 per cent, sum larger than at first expected. It has been learned that a number of depositors have failed to file proper claim, and possibly will receive no dividend.

The dividend is payable now. This morning the bank was crowded and no doubt it will require several more days to satisfy them.

COURT ORDERS DIRECTORS TO REPLACE MONEY

Auditor Finds \$40,306

Illegally Used

Savannah, Ga., March 15. The Directors of the Wage Earners Savings Bank are subject to the state superintendent of banks in charge of the defunct institution, for alleged irregularities in handling the bank's affairs, Judge P. W. Meldrim of the superior court last week was informed by A. A. Lawrence, who was appointed auditor. Samuel J. Brown, Thomas M. Holly, R. A. Harper, Joseph L. Jackson, J. W. Jamieson, Nathan Roberts, H. M. Collier, J. M. Ferebee, John F. Jones, Sol C. Johnson, E. C. Blackshear and J. E. Williams are directors and officers of the bank.

It was found by the state auditor that the directors illegally used \$40,306 of the bank's funds when they abstracted this amount from their institution and placed it at the disposal of the Consolidated Realty company, which had not been earned, but derived from false profits. The device used was as follows: The bank held a deed from A to secure a loan to B, who received no consideration therefor, and the face value of the notes was applied to the use of the realty company.

These notes were renewed from time to time, no interest being paid but the interest being included in the renewal notes to within a period of two years of the filing of the suit. These purported loans were approved in writing by a number of the directors. The explanation of all defendants was that they trusted L. E. Williams, president of the bank and did what he wished them to do.

Claim Withdrawn
Claim for monies invested in stock of the realty concern by the bank has been withdrawn. As to \$3,540 cash items alleged to be due the wage bank by the realty corporation, the evidence shows this money was expended to prevent foreclosure of first mortgages upon property upon which the bank held second mortgages.

In the case of Shannon vs. Mobley the court held that the directors of a bank occupying a position of trust as such owes the duty of exercising ordinary care to see that the officers of the bank perform their duties. A director cannot delegate his duty and discretion to a third person. Mobley was held liable for the amount claimed—\$40,306.

The Enterprise Mercantile company case also holds the directors and officers liable for \$9,723. The company abstracted the sum from the bank to use. The device used was to procure through officers of the bank notes with insolvent makers and endorsers. It was held by the auditor and court that directors negligently failed to ascertain and prevent abstraction of this money, having delegated the discrimination and duty to Williams.

A claim of \$70,500 against the bank by the Sawil Realty company showed that both institutions dealt in worthless stock. The bank invested in the capital stock of the realty concern. The investment was in the nature of a transfer of stock. The evidence justifies the conclusion that the stock of Hillman and Arabella corporations was worthless stock of the Sawil corporation. The bank was not injured as it gave worthless stock for worthless stock.

dence justifies the conclusion that the stock of Hillman and Arabella corporations was worthless stock of the Sawil corporation. The bank was not injured as it gave worthless stock for worthless stock.

Notes Worthless

"As to the claim for \$51,500," the petition reads, "this money was abstracted from the bank in the following manner: A man named Nail sent to the bank the notes and in exchange for these the bank, by direction of the president, sent Nail \$51,500. The evidence indicates the notes were worthless. The plaintiff settled the notes for \$15,000, which reduced the demand to \$36,500. Some of the directors approved the plan and others did not know of the loan. The evidence shows the directors were negligent as they delegated to Williams such delegation of discretion and they are liable."

"As to the L. E. Williams company: The demand for transfer with this company is \$25,887.50. The evidence shows this money lost to the bank by reason of payments of dividends of the Consolidated Realty company, which had not been earned, but derived from false profits. The device used was as follows: The bank held a deed from A to secure a loan to B, who received no consideration therefor, and the face value of the notes was applied to the use of the realty company.

The bank would then show a fictitious profit of about \$1,300 which would enable it to abstract the actual fund of the bank to pay dividends. Eighteen thousand dollars was paid in dividends as the result of these transactions and the plaintiff is entitled to judgment for this sum. The directors neglected and failed to prevent abstraction of the sum, and the plaintiff has the right to recovery. The plaintiff is entitled to judgment against the defendants in the sum of \$104,629.97."

Banks - 1929

NEW FINANCE AND LOAN COMPANY IS LAUNCHED IN CITY

Arrangements Perfected for Operation Under the Allen System

Arrangements have just been perfected between the board of directors of the Popular Finance and Wage Loan corporation of Chicago and Mr. J. J. Allen, formerly of St. Louis and now of Chicago, to change the name of the corporation to that of Inter-City Finance and Wage Loan Corporation of Chicago, to increase its capital stock from \$30,000 to \$100,000 to increase its board of directors from seven to twenty-one and to operate continuously under the Allen system.

The Popular Finance & Wage Loan corporation, an Illinois corporation, with offices in the South Center building at 47th street and South Park way, was organized more than two years ago by a group of young men of Chicago some of whom have had excellent training and experience in the commercial field. This group, under the leadership of Wade H. Powell, a Northwestern man, was composed largely at the time of organization of men who were engaged as post office clerks. The enterprise, however, is steadily gravitating into the hands of business men and men and women of varied lines of endeavor, since it has been realized that a business of such wide demand has better outlet for growth and development when unrestricted to any class. It is with this realization in mind that the directors of the Popular Finance & Wage Loan corporation at their regular monthly meeting Saturday, February 9, passed a resolution to combine their forces under the Allen System with J. J. Allen as promoter.

Thoroughly Trained

Mr. Allen is thoroughly trained and well experienced in the Industrial Banking business and is looked upon as one of the most successful promoters of the colored race. Among the many outstanding business corporations he

has organized is the Mid West Life Insurance Co. of St. Louis, Missouri; and the Inter-City Finance corporations of St. Louis, Mo., Tulsa, Okla., and Oakland, Calif. He was secretary and manager of the St. Louis company for two years.

In a recent interview with Mr. Allen at his offices suite 300-301 Regal Bldg. He is quoted as saying: "The Negroes of Chicago have by far outstripped every other city in America from the standpoint of commercial banks, which banks must of course according to law cater largely to commercial loans, but Chicago is far behind St. Louis, Kansas City, Cleveland, Detroit, Newark, N. J., Tulsa, Okla., Los Angeles, Calif., Oakland, Calif., and other cities from the standpoint of Industrial Loan Institutions whose money is loaned principally to working people and small business people secured by co-makers, and salaries. A recent investigation by one of the largest banks in the world showed that only about 15 percent of its depositors were able to secure a loan from it. You can readily see that something must be done to take care of the financial needs of that large group of honest, working people and small business people who are struggling to get ahead where in many cases just a few dollars would save them much worry and embarrassments.

Plans Expansion

It is my plan to establish Inter-City Finance corporations, operating under the Allen System in every city in America. I am now getting my sales force lined up and plans perfected to raise the \$100,000 for the Chicago company in a few days."

It is hoped the leading men and women of Chicago will get solidly behind this company with their financial and moral support and help make it great success.

**NAT'L BANK
CHARTER
DELAYED**

4/6/29
Charter Sought For Chicago
Bank Held Up By Gov-
ernment; Binga May

Make Statement Soon.

CHICAGO, April 4.—(A. N. P.)—Jesse Binga, president of the Binga State Bank and one of the principal sponsors behind a movement to establish a new national bank at Forty-seventh street and South Parkway, declined to make any statement regarding the reported refusal of the government to grant a national bank charter to the incorporators. While Mr. Binga refused to affirm or deny this report, he appeared to be quite optimistic as to the future outcome and stated that he was confident he could successfully carry out all plans he had made.

A charter was sought by a group of prominent business men for the South Parkway National Bank after Mr. Binga had purchased the bank building and premises soon to be vacated by the Kenwood National Bank, white, which recently figured in a merger with the Hyde Park National Bank, both white institutions. Certain accounts held by the Kenwood National Bank were to be transferred to the new institution. Unless the government later grants a charter or a charter for a state bank is issued, these accounts will have to be transferred to some other institution.

It has been alleged that the National bank charter was denied because of the personnel associated with Mr. Binga in the project. Whether this is true or whether the denial was based upon some other reason, it has been impossible to ascertain. Within a week, Mr. Binga promises to make a statement concerning his future plans.

BINGA SEEKS NATIONAL BANK CHARTER

WASHINGTON, D. C. — Jesse Binga of Chicago, president of the Binga State Bank of that city, who has applied for a National Bank charter, is in the city to get action in the matter before the Comptroller of the Currency.

The application of the State Bank is endorsed by the most prominent bankers and financial authorities of Chicago, but Mr. Binga is the target of backfire of anonymous letters from his home, by which he has succeeded in making the action on the matter for several months.

**SOUTH PK,
NATIONAL**

Illinois

ORGANIZED

Bankers And Business Men

Endorse Movement For New Enterprise

BRIGHT FUTURE AHEAD

Modern Banking Methods To Be Instituted

Authority to organize the South Park National bank at 4636 South Park way, has been granted to Jesse Binga, J. G. Dailey, Charles S. Jackson, C. N. Langston, Rev. Harold M. Kingsley, T. C. Windham, and other citizens of prominence by the treasury department, comptroller of currency, Washington, D. C.

Modern banking conditions demand professional management and require the highest degree of technical knowledge, and Mr. Binga feels indebted to those who have endorsed and recommended that a banking institution of this kind be established in this community. Among these are Senator Charles S. Deneen, Oscar F. Nelson, auditor of public accounts; the First National bank; M. F. Graettinger, secretary of the Illinois Bankers' association; Isaac M. Powell, president of the Washington Park National bank; John Carroll, president of the Hyde Park National bank; Eugene E. Ford, former president of the Kenwood National bank, his brother, Edwin Ford, and others.

New Methods

The South Park National bank will be organized to serve the thousands of people of the community and for the protection of property in the residential districts.

Old-fashioned business practices in banking will give way to scientific methods in the conduct of the new bank.

The officers and directors of the new South Park National bank will be men whom the public has learned to respect and it is predicted that when the bank has its formal opening, it will mark the dawn of a new era in the forward march of a race, which for years, down-trodden and scorned, has come into its own.

Another Nat'l Bank Charter Granted In Chi

WASHINGTON, D. C., May 9.—(C. N. S.)—The Treasury Department, through the comptroller of currency, on Monday, April 29, granted a charter for a national bank to Jesse Binga, Dr. U. G. Dailey, Charles S. Jackson, Rev. Harold M. Kingsley, Dr. Carl G. Roberts and T. C. Windham; the bank to be known as the South Park National Bank. It is located at 4636 South Parkway, Chicago.

Despite backfire opposition, Mr. Binga and his associates were successful, due largely to the strong support and indorsement of some of the leading financial interests of Chicago, among whom were Senator Charles S. Deneen, Oscar F. Nelson, auditor of public accounts; the First National Bank, M. R. Graettinger, secretary of the Illinois Bankers' Association; Isaac M. Powell, president of the Washington Park National Bank; John Carroll, president of the Hyde Park National Bank; Eugene F. Ford, former president of the Kenwood National Bank, and his brother, Edwin Ford, and others.

Banks-1929

Jackson, Miss. Ledger
Friday, January 18, 1929

NEGRO LOAN FIRM ELECTS

LEXINGTON, Jan. 17—The Lexington Colored National Farm Loan association held a stockholders' meeting in this city and elected the following officers for 1929:

R. H. Morris, president; C. C. Richardson, vice president; U. S. Donelson, secretary-treasurer; J. H. Montgomery, secretary-ETAOI; H. Montgomery, S. C. Cooper, A. Howard, R. D. Davenport and Sam Wilson, board of directors.

According to U. S. Donelson, secretary of the association, progress is being made yearly and proving of inestimable service to the negro farmer, much good being accomplished wherever aid is concentrated.

The American Mutual Savings Bank And What It Means To Louisville

The quiet man is often the efficient man. He has quietly been accumulating knowledge, quietly preparing for the greater responsibilities of life, when the time comes known as "Opportunity," the man is prepared. Young men today have many more opportunities than those of a generation ago. Indeed, it is difficult to find men who can and will assume the responsibilities of a high order. They must first be prepared. A bank account is an excellent preparation, it shows they are making good. It is not the profits but the losses that ruin any business and the overhead is often allowed to run into large percentages absorbing the profits. Watch the overhead. Good management and safe business policy will result in a successful business. The American Mutual Savings Bank may well be proud of its good management and its successful and safe policy. Banks as well as other lines of business must be alert, looking forward to the changed conditions of business that must in turn be met with efficiency. The American Mutual Savings Bank wants everyone to know that the banks of our group of the city want Louisville to grow in order that our group will be benefited. They are behind every

worthy object and effort in helping to make it grow, in the same spirit our people should co-operate with our banks to this end. We believe in doing what we can for the city in which we live. Here are a few things in which we are interested and to which we have contributed in reasonably large amounts:

Bates Memorial Church, Antioch Baptist Church, Little Flock Baptist Church, Eastern Star Bapt. Church. Masonic Grand Lodge, Portland Improvement Association, Page Ice Cream Manufactory, Norris Ice Manufactory. We are interested in all of the churches, lodges, clubs, insurance companies, newspapers and all of our business and professional men.

Banks are not a gift enterprise to the community any more than any other business. They must earn a fair rate of interest, they must be safe, they must use good judgment in making loans and investments. Patrons expect this will be done; they have this right. They respect such a bank and do business with it. The American Mutual Savings Bank counts among its best customers and patrons those who have been doing business with it since it was organized—that is the best testimonial it can have.

We try to make banking pleasant and convenient for our customers. Our service is prompt and efficient. There are private rooms where papers may be looked over in safety. An officer for consultation upon business is at the command of our patrons. We believe in showing appreciation by giving full and efficient business service in a pleasing and friendly manner. Do not overlook our Savings department. It is just the right thing for the child, the youth or the adult. We furnish the individual bank for your private use. We do the work, we pay the interest, you deposit the money and share in the profit by getting the interest. Idle money and idle things go hand in hand, both are wasteful companions. The practical benefits derived by those doing business with this bank are well illustrated by the satisfied customers doing business with it. Ask them.

Kentucky.
The Board of Directors of the First Standard Bank held their regular meeting July 1, and elected Mr. Joseph R. Ray to succeed Mr. Wilson Lovett as president of the institution. Ever since the news spread abroad a few weeks ago that Mr. Lovett would accept the position of vice president and treasurer of the Supreme Liberty Life Insurance Co. of Chicago, there has been much discussion as to his successor.



MR. JOSEPH R. RAY,
New President First Standard Bank.

The name of Mr. J. R. Ray, who has been cashier of the bank since its organization, and who is very popular with the patrons, was on the tongue of nearly everybody and the Board made a hit with the public when they elected Mr. Ray president. Mr. Ray is well known throughout the city and state because of his activities in all civic and racial matters. He taught school for a number of years in Bloomfield, Ky., and was in charge of Eastern Kentucky for the Standard Life Insurance Company for some time, leaving it to join the army in the World War, where he rose to the office of lieutenant. Mr. Ray assisted in the organization of the First Standard Bank, and when it was ready for business, he was made cashier, which position he held up to his elevation to the presidency, which takes effect July 10. In the position of cashier

Mr. Ray made hundreds of friends, not only for himself, but for the bank, by his courtesies, his consideration and his warm humaneness—thereby dispelling the idea a banker must be cold and "hardboiled." These traits won the public to Mr. Ray and made the selection of the Board a very popular action. Mr. Ray is secretary of the Standard Building and Loan Association, Brigadier General of the U. B. F.'s of Kentucky, and member of the executive committee of the American Legion. He is an active member of the West Chestnut St. Baptist church the Negro Business Men's Association and a member of other organizations of racial interest.

The Board of Directors elected Mr. Wilson Lovett vice president of the bank, in order to have the benefit of his experience and advice.

Mr. Lovett came to Louisville about twenty years ago, and had charge of the Standard Life Insurance Co. He entered wholeheartedly into the life of the community and soon won a high place as a citizen and race man. As founder of the First Standard Bank he had the support of many of the leading and substantial men and women of the race, who had been won to him by the sterling qualities they had observed in his life here.

Mr. Lovett for years was a member of the Executive Committee, and once President of the N. A. A. C. P. and as such was a hard and consistent fighter for the rights of the race. He was also put forward as candidate for the legislature once, and as a candidate for the Board of Education on two occasions, and in each contest proved he had a great following among both white and Colored people.



MR. WILSON LOVETT,
Who Resigned as President First Standard to Take High Office in Supreme Liberty Life Ins. Co.

The position Mr. Lovett accepts as vice president and treasurer of the Supreme Liberty Life offers a bigger field to him, both from a pecuniary standpoint, and as an avenue for his conceded abilities as a financier. Although his offices and headquarters will be in Chicago, Mr. Lovett will still be in close touch with Louisville as he retains his position as president of the Standard Realty Corporation of Louisville, as well as the Credential Bond and Mortgage Co. of Cleveland, Ohio.

Mr. Lovett's friends are glad and proud of his march upward in the financial world, and wish him success. Hosts of people congratulate Mr. Ray, the new president of the First Standard Bank, and are pulling for him.

It is generally agreed on all sides that since Mr. Lovett had to go, that the First Standard Bank could not have had a better successor, nor be directed by a better man than Mr. Joseph R. Ray.

**FIRST STANDARD BANK
MAKES "UMBRELLA" HIT**

**Offer of Pens and Lamps, Also
Opens Many Savings
Accounts.**

Decorations Attract Attention

The First Standard Bank is out to break all records during October in new savings accounts. 10-5-29

To stimulate interest the bank is giving a very fine umbrella to each person opening a savings account with five dollars as a starter. The umbrellas, both ladies and gentlemen's umbrellas, are worth that amount. Umbrellas are given as a reminder to prepare for the well-known "rainy day." But other gifts are to be had in case the new savings account customer has an umbrella—they are very excellent fountain pens and electric lamps. The public is invited to drop in and see the prizes.

The bank looks pretty nifty all decorated with umbrellas. There are umbrellas in the windows, umbrellas over the counters, umbrellas everywhere. They have attracted a great deal of attention.

Mr. Joseph R. Ray, President, says the bank is determined to arouse the people to the importance and necessity of having savings accounts as checking accounts.

With this purpose in mind, he says they are putting up these valuable gifts to encourage the opening of savings accounts.

To Our Many Friends and Patrons, We wish a Merry, yet sane and economic Xmas and may the New Year bring you much happiness in your search for other things.

*Louisville, Ky.
12/21/29
Ray.*

First Standard Bank

JOSEPH R. RAY.

President

Banks-1929

Louisiana.

PELICAN CITY TO ESTABLISH FINANCE HOUSE

New Orleans, La.—(ANP)—A national bank, to be owned principally by the members of the Guiding Star Benefit Association is in process of organization here, the project having been formally endorsed at the thirteenth anniversary of the founding of the association. Hon. W. M. C. Currie, supreme guide of the order is the moving spirit behind the project and many of the best known investors in the state have passed judgment on the feasibility of the move.

Houston Informer
The new bank is being promoted at no organization expense and will have to comply with all the federal banking requirements. It will have a capital and surplus of \$200,000 and to place the stock in the hands of the most modest wage-earners it is being distributed at \$50 per share, allowing the subscribers to take two years for their payments. The Guiding Star Association, through the liberal provisions of its Louisiana charter, is guaranteeing eight per cent interest on the installments made pending payment for the stock in full. Mr. Currie, the field staff, and organizers of the association are placing the stock on a no-commission basis, the supreme lodge having voted to absorb the incidental expenses.

As an organizer Supreme Guide Currie is rated in the front ranks of fraternalists. Thirteen years ago he founded the organization he now heads. Until 1922 the growth of the order was steady but slow. Since then, giving his undivided attention to organization promotion, the order has grown to 13,000 financial members with 203 subordinate lodges. Recently an offer of \$25,000 was made for the right to include the membership in an industrial organization.

New Orleans has a colored population of approximately 110,000, with only one financial institution operated by colored men. The city has the home office of four large industrial insurance companies, one of which has a premium income in excess of \$600,000. Large numbers of colored

men are employed in the building and allied trades at salaries averaging a dollar or more per hour and most of the work on the river front is done by colored men. Over 400 men are employed in the government service excluding those engaged in flood relief construction.

It is estimated that race men and women have over \$2,500,000 in saving accounts and homestead investments, the latter serving as savings accounts until recently when the homesteads stopped permitting investors to withdraw their monies and even refusing to advance loans.

The supreme headquarters of the Guiding Star Association is at 2612 S. Claiborne Street, and Mr. Currie has announced a new building which will be built to accommodate the new bank.

Banks - 1929

'NAT'L BANKERS WEEK' PLANNED: URGE THRIFT

(Special to The Pittsburgh Courier)

PHILADELPHIA, Pa., Jan. 10.—According to a statement released to the press today by Major R. R. Wright, president of the National Negro Bankers Association, the week beginning February 10 will be observed by that organization and its kindred associations as "Negro Bankers Week."

Plans are under way to have large mass meetings in every Negro banking center of the country on Sunday afternoon, February 10, and in these meetings will begin an educational campaign to acquaint the Negro race with the advantages of conveniences of Negro banks and trust companies. Throughout the week there will be special meetings and conferences to stimulate this educational program. This particular week has been set aside for this annual movement because of the birthdays of Frederick Douglass and Lincoln occurring in it.

In furtherance of this policy Major Wright will, on January 18, start a "swing around the circuit" to study local conditions in territories served by bankers and to contact various personages in those cities and towns.

The tour will begin in Nashville and at the 25th annual meeting of the stockholders of the Citizens Bank and Trust Company, of which Henry Allen Boyd is president. Mr. Wright will address the stockholders at that time.

From Nashville the trip will include Louisville, Richmond, Durham, Charlotte, Columbia, Macon, Atlanta, Charleston and Washington.

One of the most important visits of the trip will be in Richmond. This city has been invited to entertain the national meeting of the bankers next summer and the three banks there are already at work on plans for this gathering. Richmond, too, is the only woman bank president in the world, Mrs. Maggie Walker, president of St. Luke's Bank. Mrs. Walker is an active and shrewd financier and executive.

The officers of the National Negro Bankers Association are R. R. Wright, Sr., Philadelphia, president;

Henry Allen Boyd, Nashville, first vice president; C. H. Douglass, Macon, second vice president; Walter S. Carter, Washington, third vice president; C. C. Spaulding, Durham, treasurer; Wilson Lovett, Louisville, secretary; John D. Blanton, Louisville, William M. Rich, Norfolk, Jesse Binga, Chicago, Anthony Overton, Chicago, and H. S. Chauncey, Cleveland, executive committee.

About 40 financial institutions in the Mississippi hold membership in the N. B. A., and all of them are in a prosperous condition.

BANKERS WILL HOLD SESSIONS IN WASHINGTON

Leading Financiers to Give Lectures

Philadelphia, Pa., Aug. 23.—A few days ago Maj. R. R. Wright, president of the Citizens and Southern Bank and Trust company and president of the National Negro Bankers Association, received from Albon L. Holsey, secretary National Negro Business league, asking him to write a monthly condensed financial statement of banks. This request will be complied with. The National Bankers association will meet in Washington Sept. 19 and 20.

Among those who have assured Major Wright of their presence were Mrs. Maggie L. Walker, president of St. Luke's Bank and Trust company of Richmond, Va., who will discuss "Women's Influence and Duty in Building Up Our Financial Institutions;" Dr. Henry Allen Boyd, president Citizens Savings Bank and Trust company, Nashville, Tenn., who will discuss "What Makes a Bank Grow;" Jesse Binga, president Binga State bank, Chicago, has assured Major Wright that he will be present and discuss the subject, "The Best Method to Build up a Bank;" William M. Rich, president Metropolitan Bank and Trust company, Norfolk, Va., will discuss "The Small Unprofitable Account." This discussion will also be

given by Wilson Lovett, former president of the First Standard bank and now treasurer of the Supreme Liberty Life Insurance company of Illinois.

C. H. Douglass, president Middle Georgia Savings and Investment company, will discuss "The Value of Bank Mergers." This discussion will also be promoted by W. D. Hawkins, president People's Bank and Trust company, Nashville, Tenn.; Anthony Overton, president Douglass National bank, Chicago, will discuss "Investments." This discussion will also be aided by J. O. Blanton, president of American Mutual Savings bank, Louisville, Ky. C. C. Spaulding, president Mechanics and Farmers bank and also president of the North Carolina Mutual Life Insurance company, will discuss "The Value of a Contingent or Secondary Reserve." George C. Loomis, cashier Dunbar National bank, New York city, will discuss "The Model Bank." E. C. Burke, cashier St. Luke's Bank and Trust company, Richmond, Va., will discuss "How to Keep a Small Bank Going." Arnett G. Lindsay, vice president People's Finance corporation, St. Louis, Mo., will discuss "Industrial Banking." E. Washington Rhodes, editor Philadelphia Tribune, Philadelphia, will discuss "Bank Advertising." This will be aided by D. Arnett Murphy of the Afro-American, Baltimore, Maryland.

Fourth Annual Meet

Short addresses will be delivered by Gorton James, chief of the United States domestic commerce division Washington, D. C.; Robert W. Fleming, president District Bankers' association, Washington, D. C.; C. H. Pope, vice president Munsey Trust company, Washington, D. C.; Wade H. Cooper, president Continental Trust company and United States Savings bank, Washington, D. C. An address will also be delivered by Hon. Joseph L. Hooper, member of congress from Maine.

This will be the fourth annual session of the National Negro Bankers association. The association has grown from about ten banks to include all our banks.

Its officers are Major R. R. Wright, president; Dr. Henry Allen Boyd, first vice president; C. H. Douglass, second vice president; Walter S. Carter, third vice president; C. C. Spaulding, treasurer; Wilson Lovett, secretary, and executive committee as follows: J. O. Blanton, chairman; William M. Rich, Jesse Binga, H. S. Chauncey and Anthony Overton.

Dr. John R. Hawkins, president Prudential bank, and W. H. C. Brown, president Industrial Savings bank, are hosts of the association.

Local committee on arrangements are Edward A. Baker, chairman, Prudential bank; Walter L. Carter, secretary, Industrial Savings bank, and Prof. H. R. Mattingly, principal Carle high school.

National Negro Bankers Association.

NATIONAL NEGRO BANKERS ASSOCIATION TO MEET HERE

There will be held in Washington on the 19th and 20th of September, the Fourth Annual Meeting of the National Negro Bankers Association. This association consists of all of the banks owned and operated by members of our group. Among the most prominent members are Mr. Jesse Binga, of the Binga State Bank; Mr. C. C. Spaulding, Mechanics and Farmers Bank; Dr. Henry A. Boyd, Citizens Savings Bank and Trust Company; Mr. Wilson Lovett, First Standard Bank; Mr. J. O. Blanton, American Mutual Savings Bank; Mr. Anthony Overton, Douglass National Bank; Mr. George C. Loomis, Dunbar National Bank; Mr. William M. Rich, Metropolitan Bank and Trust Company; Mr. H. S. Chauncey, Empire Savings and

Loan Company, and Mrs. Maggie L. Walker, of the St. Luke's Bank and Trust Company and others. There will be discussed at this meeting various subjects pertaining to banking throughout the United States. The meeting will be extremely interesting and will bring together probably the largest number of people connected with the banks of our race. It is expected that Washington will give to these bankers a most hearty welcome.

The banks of Washington—the Prudential Bank and the Industrial Savings Bank, are members of the Association. Dr. John R. Hawkins and Hon. W. H. C. Brown are the sponsors for the gathering. It is hoped by all the members of the Association that we shall have present at this meeting most of the prominent colored men of Washington.

BANKERS WILL HOLD SESSIONS IN WASHINGTON

Leading Financiers to Give Lectures

Philadelphia, Pa., Aug. 23.—A few days ago Maj. R. R. Wright, president of the Citizens and Southern Bank and Trust company and president of the National Negro Bankers association, received from Albon L. Holsey, secretary National Negro Business league, asking him to write a monthly condensed financial statement of banks. This request will be complied with. The National Bankers association will meet in Washington Sept. 19 and 20.

Among those who have assured Major Wright of their presence were Mrs. Maggie L. Walker, president of St. Luke's Bank and Trust company of Richmond, Va., who will discuss "Women's Influence and Duty in Building Up Our Financial Institutions;" Dr. Henry Allen Boyd, president Citizens Savings Bank and Trust company, Nashville, Tenn., who will discuss "What Makes a Bank Grow;" Jesse Binga, president Binga State bank, Chicago, has assured Major Wright that he will be present and discuss the subject, "The Best Method to Build up a Bank;" William M. Rich, president Metropolitan Bank and Trust company, Norfolk, Va., will discuss "The Small Unprofitable Account." This discussion will also be aided by Wilson Lovett, former president of the First Standard bank and now treasurer of the Supreme Liberty Life Insurance company of Illinois.

C. H. Douglass, president Middle Georgia Savings and Investment company, will discuss "The Value of Bank Mergers." This discussion will also be promoted by W. D. Hawkins, president People's Bank and Trust company, Nashville, Tenn.; Anthony Overton, president Douglass National bank, Chicago, will discuss "Investments." This discussion will also be aided by J. O. Blanton, president of American Mutual Savings bank, Louisville, Ky. C. C. Spaulding, president Mechanics and Farmers bank and also president of the North Carolina Mutual Life Insurance company, will discuss "The Value of a Contingent or Secondary Reserve." George C. Loomis, cashier Dunbar National bank, New York city, will discuss "The Model Bank." E. C. Burke, cashier St. Luke's Bank and Trust company, Richmond, Va., will discuss "How to Keep a Small Bank Going." Arnett G. Lindsay, vice president People's Finance corporation, St. Louis, Mo., will discuss "Industrial Banking." E. Washington Rhodes, editor Philadelphia Tribune, Philadelphia, will discuss "Bank Advertising." This will be aided by D. Arnett Murphy of the Afro-American, Baltimore, Maryland.

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Local committee on arrangements are Edward A. Baker, chairman, Prudential bank; Walter I. Overton, Industrial Savings Bank; Prof. H. R. Mattingly, Howard high school.

NATIONAL ASSOCIATION NEGRO BANKERS IN ANNUAL SESSION

The fourth annual convention of the National Negro Bankers Association opened on Thursday morning at the Cardoza High School M street at New York Ave., N. W. Some of the leading financiers of the race were here in attendance at this convention and the addresses were of high order showing the financial possibilities of the Race financial institutions.

Following is the program of the sessions: *Washington*

Thursday, September 19th, 9:00 o'clock—Session opened by Major R. R. Wright, President, Citizens & Southern Bank and Trust Company, Philadelphia, Pa. Invocation by Rev. R. W. Brooks, D. D., Pastor, Lincoln Temple Congregational Church, Washington, D. C. Music. Roll Call. Registration of members by the Secretary Mr. Wilson Lovett. Introduction of members by the Secretary, Mr. Wilson Lovett. Introduction and Social Chat for five minutes by the members. Reading of minutes of the last session by the Secretary. Report of Secretary. Report of Treasurer. Appointment of Committees by the President.

What Makes a Bank Grow, by Dr. Henry Allen Boyd, President, Citizens Savings Bank and Trust Company, Nashville, Tenn.

Vale of Bank Mergers, by C. H. Douglass, President, Middle Georgia Savings and Investment Company; W. D. Hawkins, President, Peoples Bank and Trust Company, Nashville, Tenn.

Loans and Discounts, by E. C. Wright, Assistant Secretary, Citizens

& Southern Bank and Trust Co., Philadelphia, Pa.

Industrial Banking, by Arnett G. Lindsay, Vice-President and Manager, Peoples Finance Corporation, St. Louis, Mo.

12:00 o'clock noon—A. B. C. Luncheon Cardoza High School.

Afternoon session, 2:00 o'clock P. M.—Meeting called to order by the President.

My Experience with Investments, by Mr. J. O. Blanton, President, American Mutual Savings Bank, Louisville, Ky.

The Duties of a Trust Officer, by Raymond Pace Alexander, Esq., Trust Officer, Citizens & Southern Bank and Trust Co., Philadelphia, Pa.

The Best Method to Build Up a Bank, by Jesse Bings, President, Binga State Bank, Chicago, Ill.

Women's Influence and Duty In Building Up Our Financial Institutions, by Mrs. Maggie L. Walker, President St. Luke's Bank and Trust Company, Richmond, Va.

The Small Unprofitable Account, by William M. Rich, President, Metropolitan Bank and Trust Company, Norfolk, Va.; Wilson Lovett, former President First Standard Bank, Louisville, Ky.

An address by Dr. Kelly Miller.

Address by Judge James A. Cobb.

Evening Session, 8:00 o'clock—Master of Ceremonies, Mr. W. H. C. Brown. President Industrial Savings

Bank, Washington, D. C.

Invocation by Rev. Walter H. Brooks, D. D., Pastor 19th Street Baptist Church, Washington, D. C. Welcome Address, District Commissioner of Washington, D. C. Musical selection of Washington Concert Orchestra. Welcome Address in the name of the "A. B. C. Club," Hon. S. W. Rutherford, secretary and manager of National Benefit Life Insurance Company. Musical selection by Burleigh Singers. Welcome Address, local banks, Dr. John R. Hawkins, President, Prudential Bank. Response by Mr. Anthony Overton, President, Douglas National Bank, Chicago, Ill., and Mr. M. C. Martin, Cashier, Danville Savings Bank and Trust Company, Danville, Va.

Annual Address, by Major R. R. Wright, President, National Negro Bankers' Association.

Benediction, by Rev. W. H. Thomas, Pastor, Metropolitan A. M. E. Church, Washington, D. C.

Friday, September 20th, Morning Session, Short Addresses—M. J. Waller, President, District Bankers' Association, Washington, D. C. Wade H. Cooper, President, Continental Trust Company and United States Savings Bank, Washington, D. C. H. Pope, Vice-President, Munsey Trust Company, Washington, D. C.

Value of a Contingent Reserve, by C. C. Spaulding, President, Mechanic and Farmers Bank, Durham, North Carolina.

Cause of Bank Failures, by W. H. Harvey, President, Victory Savings Bank, Columbia, South Carolina.

The Model Bank, by George Loomis, Cashier, Dunbar National Bank, New York City.

Investments, by Anthony Overton, President, Douglass National Bank, Chicago, Ill.

Bank Management, by Joseph R. Ray, President, First Standard Bank, Louisville, Ky.

Address—Hon. Howard W. Dunn, Chief of the Domestic Commerce Division, Washington, D. C.

Luncheon, 12:00 o'clock noon.

Afternoon Session, 2:00 o'clock.

Advertising, by E. Washington Rhodes, editor, The Philadelphia Tribune, Philadelphia, Pa.; by A. N. Johnson of the Afro-American, Baltimore Md.

Banquet, Whitelaw Hotel, 8 o'clock. Toastmaster, Major R. R. Wright, President, National Negro Bankers' Association.

WILL BE ACTING PRESIDENT

Major R. R. Wright Designates Nashville Man to Direct Affairs of the National Negro Bankers' Association.

Because of his continued illness since the adjournment of the National Negro Bankers' Association in Washington last September, Major R. R. Wright, the president of the organization, who is also the head of the Citizens Southern Bank at Philadelphia, has just authorized Henry A. Boyd, the first Vice President of the organization, to assume the duties, become active, make all arrangements and conduct the affairs of the Association during the ensuing year.

"I am asking you to take charge of the affairs of the Bankers' Association and to serve in my stead in every way, because I have been indisposed ever since the last meeting adjourned in Washington. I have only been at my desk one day since I returned to the city. I am therefore, shifting the burden upon your shoulders; you are younger, more active and thoroughly capable. You understand the affairs, not only in this Association, but that of many organizations. Won't you therefore, accept this order and begin your active work?"

Immediately upon receipt of the instructions Mr. Boyd, who had just creached the city from the East, said he was not disposed to take on added work or greater responsibility, but that he had written President Wright that because of these peculiar circumstances he would do the best he could until the next annual meeting, time and place to be announced later on, after a conference with the executive committee.

CALL ON PRESIDENT HOOVER

By FLOYD J. CALVIN
Special Feature Writer

WASHINGTON, D. C., Sept.

26.—The climax to the fourth annual meeting of the National Negro Bankers' Association, which was held last Thursday and Friday at the Cardozo high school, corner of M street and New York avenue, came at 1 p. m. sharp Friday, when the banking delegates were admitted to the executive offices of the White House and personally shook hands with President Hoover. The delegation, headed by Major Wright, Sr., president of the association, and W. H. C. Brown, president of the Industrial Savings Bank at Eleventh and You streets and chairman of the local committee of arrangements, left the Cardozo high school at 12:30 and at ten minutes past one assembled in the outer executive offices. Promptly at 1 o'clock the door to the President's private office opened and Major Wright was introduced. Major Wright then stood by the President's side and introduced each banker as he filed past the President, and the President shook his hand. The men filed past the President in single file. Mr. Hoover stood in front of his great glass-topped desk and as Major Wright told the President the name of each man and the city he was from, the President said: "I am glad to meet you," and gave a firm hand clasp. He said to Major Wright: "You have them from all parts of

the country." For most of the bankers it was their first time to see inside the White House, if not their first time to see the President. It was the first time most of them had chanced to shake his hand. There has recently been placed a ban on all receptions of any kind at the White House, and it was only through the greatest difficulty that the appointment was made. Such a

reception had not been held in three weeks.

The fourth annual session of the National Negro Bankers' Association was the most profitable yet held, according to Major Wright, who made his annual address Friday morning. The major reported that the association represents \$25,000,000 in resources, and proudly stated that his prediction a year ago that there would not be a Negro bank failure during the past year proved true. At the close of the address the convention unanimously voted that the speech be published in full.

The sessions opened Thursday morning by the meeting being called to order by Major Wright. Devotions were offered by Dr. Henry Allen Boyd, vice president of the association and president of the Citizens Savings Bank and Trust Company of Nashville, Tenn. Minutes of the last session were read by the secretary, Wilson Lovett, and adopted. The report of the treasurer, Mr. C. C. Spaulding of Durham, N. C., and president of the Mechanics and Farmers Bank, was read by R. L. McDougald, vice president and cashier of Mr. Spaulding's bank. Mr. Spaulding was absent on account of illness, and the association took due notice of the faithful service he had rendered and expressed the hope that he would soon recover. His report was adopted.

The first speaker on the program was Dr. Henry Allen Boyd, whose subject was "What Makes A Bank Grow." Dr. Boyd gave ten points on growth, among which were the desire of a community for a bank, the raising of a sufficient amount of capital, confidence of the community in the personnel, plan of the bank's operation, personality of the bank's staff, proper investment of loans and discounts, etc. Discussion followed in which William M. Rich, president of the Metropolitan Bank and Trust Company of Norfolk, Va., John H. Braxton, cashier of the St. Luke Bank and Trust Company of Richmond, Va.; C. H. Douglass, president of the Middle Georgia Savings and Investment Company of Macon, Ga., and W. D. Hawkins, president of the Peoples Bank and Trust Company of Nashville, Tenn., took part.

Discuss Mergers

The second subject to be discussed was "Value of Bank Mergers." Papers were read on this topic by both Mr. Douglass of Macon and Mr. Hawkins of Nashville. Mr. Douglass said: "Where there are two or more colored banks in a city and neither is making the progress it should, I believe they should

merge their interests into one large strong bank. First, it will reduce their operating expenses nearly 50 per cent; it will lessen the chance of failure; it will make them more able to withstand the change in conditions that is bound to come; and it will make them able to declare larger dividends." Mr. Hawkins, who prepared a more elaborate paper and went into the matter in great detail, said in part: "The day of small business concerns operating with any degree of success and accomplishing has passed. These are the days when capital is being mobilized for the purpose of influencing and controlling wealth and its production for better efficiency and profit. Bank mergers contemplate the reduction of operating cost, larger returns to invested capital, getting into a better position to get and hold of business, and increase the mobility of capital. Mergers increase the mobility of capital, not merely rendering the possession of funds by individuals more profitable but will increase the social productivity of capital, which is a high goal for all public institutions. Bank mergers insure a better character of banking judgment. A large and successful institution encourages the group stimulates and inspires the youth, creates and strengthens confidence, and paves the way for a variety of commercial institutions which, in the very nature of things, will feeders and supporters of the greater banks."

The subject of "Loans and Discounts" was ably discussed by E. C. Wright, assistant secretary of the Citizens and Southern Bank and Trust Company of Philadelphia. Mr. Wright stated he had recently made a consolidated statement of ten Negro banks taken at random and the statement showed resources aggregating \$5,737,309.87, and loans and discounts of \$3,561,290.57, or 62 per cent of their total assets. "It is quite obvious," he said, "that the liquidity of our assets depends largely upon the liquidity of our loans and discounts." "The policy of our bank," continued Mr. Wright, "has been to invest in call loans at least 50 per cent of the 60 per cent of our assets allotted for loans and discount. This enables us to keep employed at all times at 6 per cent to 8 per cent every available dollar which is above our legal reserve requirements." At the close of his talk Mr. Wright said: "Some of the safeguards which we have adopted in our loan department are, no loans are granted for capital financing; no loans are granted on services yet to be performed; and, we try to avoid allowing good depositors to endorse strangers whose ability and

willingness to pay are uncertain."

An interesting departure from the regular program was the able presentation of "Industrial Banking," by Arnett G. Lindsay, vice president of the Peoples Finance Corporation of St. Louis, Mo. Mr. Lindsay, who has been with his company for seven years, is regarded as an expert in this field. He told of the "triple security" plan of lending money in his organization, stating that the average balance of loans of this type require the guarantee of two other persons who are similarly situated. "The in-banking speaker asserted, "and the bank is slow to take hold, but it will pay. He told how the first Citizens and Southern got \$37,500 worth of business in its trust department, and the second year this figure went up to \$50,000. At the close of his talk Major Wright addressed the bankers to "get some good connected with your bank. They can bring you lots of business."

J. O. Blanton

Following Mr. Alexander was J. O. Blanton, president of the American Mutual Savings Bank, Louisville, Ky., who spoke on "My Experience With Investments." "Every banker should be as familiar as possible with the economic factors controlling the movement of money," said Mr. Blanton. "Especially should he be familiar with those operating in his own locality and the social group in which he is working. In this he should be prepared to justify his confidence and trust imposed in him by his patrons and to be able to give safe and sound advice. The success of a banker is reflected in just how much patrons trust his opinion and how much private affairs. Aside from the economic factors, he should make a study of the sociological aspects underlying them for dealing with cold figures without an intimate touch of the humanity behind them is a hazardous thing." Mr. Blanton then told how banks, by their institutions to the Dunbar National Bank, employ idle money and help people buy homes. In closing he said: "In summing up the situation of investments as a

function of a bank, the institution must know the needs of the people and be organized to meet them, must be able to advise and supervise the organization of new business enterprises and to assist in stabilizing the old ones. The ultimate aim is to have such a network of sound businesses that the bank may have a field in which to make safe commercial loans as well as to make it possible to handle the same dollar more than once."

"The Small, Unprofitable Account" was discussed by Mr. Rich of Norfolk and Mr. Lovett. Mr. Rich showed how a bank loses money on an account, the average balance of which is only \$100 during a year. At the evening session the master of ceremonies was Prof. Garnet C. Wilkinson, assistant superintendent of schools of the District of Columbia. Addresses of welcome were made by Major D. A. Davidson, assistant engineer commissioner of the district; Mr. S. W. Rutherford, secretary-manager of National Benefit Life Insurance Company, and W. H. C. Brown. Music was rendered by the Washington Concert Orchestra. At this session the visiting bankers were presented to the public.

Discuss "Model Bank"

Friday morning, "The Model Bank" was discussed by George C. Loomis, cashier of the Dunbar National Bank of New York City, which bank is known as the Rockefeller bank and is located in the Dunbar apartments, but for colored people in Harlem. Mr. Loomis set up a chart, which he stated was subject to local and general conditions, but which in the main represented the ideal ratio of how to handle bank funds. He said the legal reserve should be maintained, which varies in different states, the cash hand should be from 5 per cent to 7 per cent of deposits, call loans 20 per cent to 30 per cent of time deposits, bankers acceptances or commercial paper, 10 per cent to 20 per cent of time deposits, U. S. bonds and certificates of indebtedness 50 per cent of capital and surplus, other bonds 10 per cent to 20 per cent of time deposits, loans 40 per cent of time deposits and 40 per cent of real estate (bank building) 40 per cent to 50 per cent of capital and surplus. The ideal ratio of deposits is ten times the capital and surplus. Mr. Loomis invited the bankers to send a representative of their institutions to the Dunbar National Bank for three to six months training without charge.

Anthony Overton, president of the Douglass National Bank of Chicago, discussed "Investments," in which

he dicered with some of the expressed opinions. Mr. Overton's bank never puts money on call, he says. Dr. Kelly Miller addressed the sessions on Friday afternoon, and so did T. J. R. Faulkner of Liberia, West Africa. The group was treated to a sight-seeing tour in a bus by the Insurance Managers Association of Washington, the president of which is Tecumseh Bradshaw, local manager of the National Benefit Life district office. The group tendered a vote of thanks to Prof. R. N. Mattingly, principal of the Cardozo high school, for the school's hospitality. The group enjoyed two fine luncheons in the school cafeteria which were free.

Among other present were J. M. Avery, trust officer of the Mechanics and Farmers Bank of Durham, N. C.; Leroy F. Ridley, Crown Savings Bank, Newport News, Va.; B. J. Blayton, Citizens Trust Co., Atlanta, and also A. T. Walden, president, and L. D. Martin, cashier of the same bank; M. C. Martin, Danville Savings Bank, Danville, Va.; Edward A. Baker, cashier Prudential Bank of Washington; Mrs. Maggie L. Walker, president of St. Luke Bank of Richmond, Va.; Walker L. Carter, assistant cashier Industrial Savings Bank, Washington; J. H. Green, assistant cashier of Prudential Bank; J. A. Jackson, business specialist of the Department of Commerce; E. Washington Rhodes, editor of the Philadelphia Tribune, and visitors, among whom were Judge James A. Cobb, Mrs. R. R. Wright, Sr., Mrs. James A. Jackson and others, Mr. Wade H. Cooper, white, president of the Continental Trust Company and United States Savings Bank of Washington delivered an able address on practical banking Friday morning, and F. E. Simmons of the Department of Commerce, editor of "Domestic Commerce" and chief of publicity and promotion for the department, told the bankers about the literature the government is publishing to help them, and to help them help their depositors.

Major Wright was re-elected president over his protest, and Wilson Lovett was re-elected secretary after he had asked to be relieved. George C. Loomis said at the close: "This was certainly a wonderful meeting and I believe all of us have profited much by coming here."

(Next week—Read Major Wright's survey of the Negro banking field.)

**BANKERS HOLD
ANN'L MEETING
IN WASHINGTON**

President Receives Body of Financiers

All Officers Reelected

WASHINGTON, D. C., Sept. 25 Some sixty banks were represented at the fourth annual convention of the National Negro Bankers' Association, held in this city last Thursday and Friday. The meetings which were held in the Cardoza Business High School, were well attended. Major R. R. Wright of Philadelphia, presided.

The members of the convention were received at the White House on Friday. The local bankers and the A. B. C. Club were hosts at a luncheon Thursday and Friday at noon.

The Association of Insurance managers entertained the visitors with a trip to Howard University where they called on President Mordecai Johnson and Dr. Emmett J. Scott. Later they went on a sight-seeing trip about the city.

In the afternoon of the first day's session of the Bankers Association, meeting in Washington, D. C., Raymond Pace Alexander, President of the National Bar Association, delivered a very illuminating and carefully prepared paper upon "Duties of Trust Officers." Representing the Bar Association at the annual meeting of the Bankers Association were many prominent members of the National Bar Association from various sections of the country. Among those present were Judge James A. Cobb of the Municipal Court of Washington; Attorneys Charles E. Robinson, vice president of the National Bar Association, Washington, D. C.; Chas. H. Houston, professor of Law, Howard University; Elwood G. Hubert, Washington, D. C.; W. Ashbie Hawkins, Baltimore, Md.; Carl Phillips, Washington, D. C.; Robert L. Vann, Pittsburgh; and Pope B. Billups, regional director of the National Bar Association, New York City. The National Bar Association was very ably represented at the Bankers Association meeting by these eminent lawyers who outlined a program of cooperation between the Bar Association and the Bankers Association which might be profitably followed by both organizations.

Speaking in his usual forceful

way, Judge James A. Cobb made the following comment:

"Banking among Negroes has gone far beyond the experimental stage and the character and ability of our bankers everywhere, in recent years, has encouraged confidence generally. There is a strong bond between the banking and legal professions and there are great opportunities for cooperation. The final and complete success of both the legal and banking professions depend upon the steady increase of business and commercial interests among colored people. The National Bar Association, therefore, is of the opinion that it should cooperate with organizations such as the Bankers Association to foster and promote any and all tendencies and movements which will increase the quality as well as the quantity of these business and commercial interests."

Wright Re-elected

Major R. R. Wright, was unanimously re-elected president of the Bankers Association. The other officers are: Henry A. Boyd, C. H. Douglass, W. L. Carter, vice presidents; C. C. Spaulding, treasurer, and Wilson C. Lovett, secretary.

The members of the executive committee are: John O. Blanton, chairman; Anthony Overton, Wm. M. Rich, W. D. Hawkins, O. T. Walden.

The selection of the next place of meeting was left to the executive committee.

FOURTH ANNUAL CONVENTION OF NEGRO BANKERS

**HOLDS SUCCESSFUL MEETING
IN NATION'S CAPITAL
CITY—SIXTY ODD BANKS
REPRESENTED**

(Capital News Service)

Washington (CNS)—The fourth annual convention of the National Negro Bankers Association, representing about sixty banks throughout the country, met in this city, Thursday and Friday, September 19th and 20th. The meetings were held in Cardoza Business High School with a large number of representatives of the banking institutions of the country in attendance. The president of the association, Major

R. R. Wright, president of the Citizens and Southern Bank and Trust Company of Philadelphia, presided.

The following members of the association were present:

Henry Allen Boyd, President of the Citizens Saving Bank and Trust Company, Nashville, Tennessee; J. B. Blayton, Director of the Citizens Trust Company, Atlanta, Georgia; W. H. C. Brown, President of the Industrial Savings Bank, Washington, D. C.; Leroy F. Ridley, Cashier of the Crown Savings Bank, Newport News, Virginia; Emanuel E. Wright, Assistant Secretary of the Citizens and Southern Bank and Trust Company, Philadelphia, Pennsylvania; C. H. Douglass, President of the Middle Georgia Savings and Investment Company, Macon, Georgia; John H. Braxton, representing St. Luke's Bank and Trust Company, Richmond, Virginia; George C. Loomis, Cashier Dunbar National Bank, New York City, New York; R. L. McDougall, Vice President of the Mechanics and Farmers Bank, Durham, North Carolina; William M. Rich, President of the Metropolitan Bank and Trust Company, Norfolk, Virginia; Major R. R. Wright, President of the Citizens and Southern Bank and Trust Company, Philadelphia, Pennsylvania; Edward A. Baker, Cashier of the Prudential Bank of Washington, D. C.; Mrs. Maggie L. Walker, President of St. Luke's Bank and Trust Company, of Richmond, Virginia; J. H. Green, Assistant Cashier, Prudential Bank, Washington, D. C.; M. C. Martin, Cashier of the Danville Savings Bank, Danville, Virginia; J. W. Avery, Trust Officer, Mechanics and Farmers Bank, Durham, North Carolina; Major A. T. Walden, President Citizens Trust Company, Atlanta, Georgia; Arnett G. Lindsay, President Peoples Finance Corporation, St. Louis, Missouri; J. O. Blanton, President of the American Mutual Bank, Louisville, Kentucky; W. D. Hawkins, President of the Peoples Bank and Trust Company, Nashville, Tennessee; Wilson Lovett, former Vice President of the First Standard Bank, Louisville, Kentucky; E. D. Milton, Cashier Citizens Trust Company, Atlanta, Georgia; Walter L. Carter, Industrial Savings Bank, Washington, D. C.; Samuel L. Green, Trustee of the Booker T. Washington Company, of Philadelphia, Pennsylvania.

Among the visitors in attendance were: Floyd J. Calvin, of the Pitts-

burgh Courier; James A. Jackson, Department of Commerce; Prof. Kelley Miller, Howard University; Raymond Pace Alexander, E. Washington Rhodes, Philadelphia Tribune; representatives of the "A. B. C. Club" and the Association of Insurance Managers of the District of Columbia; Judge Jas. A. Cobb and Dr. Emmett J. Scott of Howard University; Thomas J. R. Faulkner, of Liberia, and Mrs. R. R. Wright, of Philadelphia.

The members of the convention in a body were received by President Hoover at the White House at 1 o'clock Friday afternoon. The A. B. C. Club and the local bankers were hosts at luncheon Thursday and Friday at noon in the school lunch room.

The Association of Insurance Managers entertained the visitors with a sight-seeing trip about the city, including a visit to Howard University where they called upon President Mordecai Johnson and Dr. Emmett J. Scott, Secretary-Treasurer.

Although Major R. R. Wright had planned to retire as president of the association this year, he finally consented to serve another term and was unanimously re-elected. The other officers were similarly retained by unanimous vote. They are: Henry Allen Boyd, first vice-president; C. H. Douglas, second vice-president; W. L. Carter, third vice-president; C. C. Spaulding, treasurer; Wilson Lovett, secretary.

The members of the Executive Committee are: John O. Blanton, Chairman; William M. Rich, W. D. Hawkins, O. T. Walden, and Anthony Overton.

The selection of the place of the next annual meeting was left to the executive committee.

The arrangements for the convention were made by the local committee consisting of John R. Hawkins, President of the Prudential Bank; W. H. C. Brown, President of the Industrial Bank; R. N. Mattingly, Principal of Cardoza Business High School; Edward A. Baker, Cashier of the Prudential Bank, and Walter L. Carter, Assistant Cashier of the Industrial Bank

Editor and Publisher of N. Y. Age Accepts Post With Financial Institution

George C. Loomis Officially Announces Alderman's Election—Five Bank Employees Promoted—R. C. Bruce
Lectures on Housing at Abyssinian Forum

Another Negro is to sit on the board of directors of the Dunbar National Bank, 2824 Eighth avenue, where five members of the personnel have been promoted to higher positions and three others newly employed.

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Forum Hears of Promotions

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They included Walter Dixon of St. Louis, Mo., a student of calculus at New York University, who was advanced from messenger boy to statement clerk; Ira Williams was promoted twice, from messenger boy to statement clerk, and from this position to the customs ledger; John P. Quander was moved up from the customs ledger to the position of general bookkeeper and accountant.

Also, John McDonald, floor man, was appointed new business representative, while William Smith, night watchman, succeeded McDonald as floor man, or day guard. Sidney E.

Brooks, 227 West 149th street, was recently hired as night watchman, with Sundays and holidays off, and Joseph Emele Alvanga, 285 West 150th street, was taken on as relief watchman.

Cornelius Goodwater, 2816 Eighth avenue, has just been employed in the capacity of messenger.

Other members of the bank personnel include: Cyril A. Wilson, receiving teller; Garnet R. Waller, paying teller; Mae C. Hawes, head of thrift department; Helen Trusty, secretary to Mr. Loomis and Arthur H. Thien, vice-president, and Joshua H. Williams, vault custodian, who, incidentally, has been treasurer of Manhattan Lodge 45, I. B. P. O. Elks of the World, for several years.

Mr. Loomis revealed Friday that several members of the personnel are attending evening classes at the American Institute of Banking, 110 East Forty-second street, the official school for students of banking.

"Those who successfully complete their course," Mr. Loomis said, "will have their tuition paid by the Dunbar Bank."

Questions of a general nature were asked about the bank and answered by Mr. Loomis during the forum.

Mr. Bruce reviewed the economic history of the Negro from the time of slavery, and ended by saying that industrial and financial organization and unity are the only practical solutions to the Negro's problems.

Wilbur F. Coleman, cashier-bookkeeper at the Dunbar Apartments, gave a most interesting and compelling talk on the value of thrift and its indispensable aid in enabling people to live better and more useful

lives.

Mr. Coleman deplored the fact that there are thousands of Negroes working in domestic services and other menial positions who are qualified for higher work, but are denied the opportunity. Therefore, the Negro as a race should create his own industries for the purpose of correcting this discouraging condition, he said.

The forum closed following a special discourse on housing and the Dunbar Apartments by Mr. Bruce, illustrated by stereopticon views, which contrasted the poorest housing conditions with the modern Dunbar project.

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Aaron Smith, Deputy Collector of Internal Revenue, whose district includes the Wall street section, where he is reported to have collected \$7,000,000,000 since he has been in office, was chairman of the forum. The Rev. A. Clayton Powell, pastor of the church, addressed the forum briefly.

SAFETY IN BANKING.

Referring to a statement made by Mrs. Alice Dunbar Nelson, in writing about the Dunbar National Bank, in the Washington Eagle, the editor of the Philadelphia Christian Recorder, who has some connection with banking himself, said that "it is not necessary to cast reflections upon Negro bankers." This nobody will deny. His reason for this pronouncement appeared to be the following statement by Mrs. Nelson:

"One member of our race, who has been for more than a dozen years president of a substantial Negro bank in one of our Southern states, with a capital of more than \$200,000, offered to resign his post and its emoluments in order to come into the Dunbar National and learn banking from the ground up."

Editor R. R. Wright, Jr., of the Recorder resented this imputation upon the ability and self-confidence of the Negro banker, with more or less warmth, saying:

"She is evidently misled, for that is not true. There is no Negro bank in the South that has a capital of \$200,000 in the first place, and all the Negro presidents of twelve years' experience are personally known to the editor; and we can say confidentially that the above paragraph does not represent fact, and is misleading and a reflection upon our best bankers. While it would be a good thing to get all of the help we can, yet the Negro will never learn until he teaches himself."

And be it remembered that the Negro is as safe in his own hands as he is in the hands of his friend, even in the intricate business of banking. If Mrs. Dunbar Nelson will study history, she will see the Negro has lost more

money in banks dealing with his friends than he has in banks of his own. While we put a great deal of stress upon the failure of certain colored banks, it is still a historical fact that the Negro never lost in the failure of any bank conducted by Negroes as much money as was lost in the failure of the Freedmen's Saving Bank, which was conducted for Negroes. While we have every confidence in the New York venture, yet we do not believe under present banking laws it will be any safer for Negroes than any bank which is conducted under the laws of the State of New York or the State of Pennsylvania or the State of Massachusetts. As a matter of fact as a shrewd Jew said when questioned about his dealings with a Negro bank: "The chances of failure of a Negro bank are many times greater than that of a white bank because the authorities are not going to let Negroes have as much rein as the whites." On this theory the Jew justified dealing with a Negro bank on the basis of safety, other things being equal.

Enthusiastic writers must not discourage our people from their own in their endeavors to make our friends feel good. It will be many a year before the interracial bank will supercede the racial bank. The inter-racial church has not taken the place of the racial church, nor the inter-racial fraternity taken the place of the racial fraternity nor will the inter-racial bank.

Thirty years ago another philanthropist—Theodore Starr, of Philadelphia—started an interracial savings institution. It has thousands of Negro depositors today, but nobody thinks of it as an inter-racial bank, for it is now a white institution. We hope Mr. Rockefeller's experiment will have better results for training the race in banking from the ground up than Mr. Starr's experiment had. Meanwhile the surest way to success is to "do it ourselves"—in banking as in other things.

We have quoted thus extensively from the Recorder, because there has been not a little criticism of this sort concerning the Rockefeller Institution. Editor Wright has based his criticism on legitimate grounds and in a manner which entitles it to respectful consideration.

Probably, the surest way to success is to acquire experience, which in all cases means that somebody must pay for it. The cost of experience in the banking game comes high, and the lack of it must be taken into account in every step taken by too ambitious promoters. The Dunbar National Bank, apart from the regular banking service which it proposes to render to the two thousand or more tenants of the Dunbar Apartments, will provide practical training for the corps of colored employees. Banking is a highly technical pursuit, which of late years has

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Editor and Publisher of N. Y. Age Accepts Post With Financial Institution

George C. Loomis Officially Announces Alderman's Election—Five Bank Employees Promoted—R. C. Bruce Lectures on Housing at Abyssinian Forum

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SEP 18 1928

Negro Bank a Year Old.

One year ago today the Dunbar National Bank, which was established to serve the business and personal banking interests of Harlem's Negro population, opened for business with a capital and surplus of \$1,040,000.

On its first anniversary the institution reports deposits close to \$1,000,000, with total resources over \$2,000,000. The idea for such a bank grew out of suggestions made to John D. Rockefeller Jr. by a delegation of Negroes several years ago. John D. Rockefeller 3d is a member of the board of directors, which includes many well-known industrialists and financiers.

Joseph D. Higgins is president, Arthur H. Thien vice president and George C. Loomis cashier. The rest of the personnel of 13, with one exception, is composed entirely of Negroes.

Dunbar National Bank, Operated In Harlem By John D. Rockefeller Jr. Proves Vital Factor In Community

Started With \$500,000 Capital; First Year's Business Shows \$800,000 Deposits and Resources of Approximately \$2,000,000

By LUCIEN H. WHITE

In the commercial development of the Negro in Harlem one of the most vital factors has proved to be the Dunbar National Bank, named in honor of the great Negro poet, Paul Laurence Dunbar, established September 17, 1928, by John D. Rockefeller, jr., and located in the Paul Laurence Dunbar Apartments building at corner of 150th street and Eighth avenue.

Its purpose is that of being a bank primarily for the Negro citizen and business men of the community, and it has been operated from the beginning with that purpose in view. It is not to be un-

to Mr. Rockefeller's attention that there existed an unfavorable housing condition among the residents of Harlem, and his first effort toward relieving the situation resulted in the erection of the beautiful and modern Dunbar Garden Apartments, occupying the entire block covering the area from 149th to 150th streets, and from Seventh to Eighth avenues.

An Economic Necessity.

The establishment of the bank followed as an economic necessity, quarters for the institution having been specially prepared in erection of the apartments. Practically the entire capital stock was subscribed for by Mr. Rockefeller himself, and most of this he still holds. Members of the board of directors, of course, were allotted a sufficient number of shares to qualify for their positions, and custom-ers of the bank have been allowed to purchase not more than ten shares of stock each, specially offered by Mr. Rockefeller at the same price he paid for it.

The initial capital stock was \$500,000, with a surplus of the same amount, and undivided profits for organization purposes of \$40,000. It is interesting to note that at the end of the first year of the bank's operations, after closing of the books and making all charge-offs for depreciation of furniture and fixtures, vault and other equipment, including all of the initial expense of organization, that more than \$18,000 of this \$40,000 was unused, leaving a substantial cushion protecting the surplus, which is equal to the capital. This puts the bank in a strong position to carry out Mr. Rockefeller's purpose in its establishment.

Staff Mostly Colored.

The cashier, Mr. Loomis, in talking to a representative of The Age, said that Negro depositors composed from 90 to 95 per cent. of the bank's clientele and that their approximated 75 to 80 per cent of the total.

In establishing the bank Mr. Rockefeller expressed his desire to have the personnel made up as largely as possible of colored men and women. This purpose has been carried out to the extent that of the operating force of the twenty-two, only four are white, the president, vice president, cashier and secretary to the president.

The Bank's Personnel.

The bank's personnel at present is composed of the following persons: J. P. Quander, accountant; Robert P. Braddicks and John A. McDonald, new business represent-

atives; G. Russell Waller, Cyril A. Wilson and Walter Dixon, tellers; Ira J. Williams, assistant teller; Joshua Williams, vault custodian. Samuel B. Wallace and LeRoy A. Smith, bookkeepers; Lemuel A. Spalding and John A. Powell, statements clerks; Miss Helen Duval, Miss Helen Trusty and Miss Mary Burgess, secretaries; William B. Smith, Sidney Books and Joseph E. Alvaranga, guards; Fred Hargraves, messenger.

In order that this staff may be thoroughly and adequately equipped for their duties, the bank is providing special courses of instruction for its employees at the American Institute of Banking, of the City of New York, and other similar institutions, at its own expense, and most of the workers are attending one or the other of these colleges. With the added knowledge of banking and the increased experience gained through study, it is the confident belief of Mr. Rockefeller and his aides that they will in due time qualify to become executives of the bank.

Since its opening day, the bank has shown a steady and healthy increase both in number of depositors and in size of accounts. Bank officials state that deposits are well above \$800,000, and that the bank's total resources are approximately \$2,000,000. And they boast with pride that of the several hundred thousand dollars loaned to customers of the bank, not one dollar has been lost.

Most Modern Equipment.

In equipping the bank's quarters, the most modern and up-to-date banking machinery was installed. In the Thrift and Christmas Club Department, the National Cash Register Savings Bank Machine is installed, and in the main departments of the bank the Dalton Bookkeeping Machines are used. An interesting device is the Recordak, a machine which photographs every check which passes over the bank's counter. This makes it possible for any depositor, upon request, to secure a photostatic copy of any check deposited or any check drawn by him which reaches the bank.

The safety of the bank vaults is guaranteed by the thick walls of modern burglar proof construction and massive steel door, augmented by the installation of the most sensitive electrical instruments and time-clocks. As a measure of learning the effectiveness of the protection devices, the cashier, Mr. Loomis, and others of the bank's staff, made a test recently. Descending to the vault, after the vault's door has been closed for

the night, several sharp blows were struck upon the outer wall of the vault, at some distance from the door.

Reached Bank In Six Minutes.

So keenly attuned are the electrical connections that the sound of the blows was transmitted to the patrol company's headquarters on West 125th street and within six minutes two armed patrolmen were at the door of the bank in answer to the alarm.

In this vault are kept also the steel safety deposit boxes, which are available to the clients of the bank.

Another convenience offered patrons of the bank is a night depository, every whit as strong as the main vault, in which neighboring merchants can make deposits of funds from the outside of the building at any time between closing of the bank in the afternoon and its opening next morning.

During the recent session of the National Negro Bankers' Association, held in Washington, the Dunbar Bank, in an effort to make New York City banking methods available to members of the association, issued an invitation to

Incomplete.

Banks-1929
WINSTON SALEM, N. C.

JAN 2 - 1929

CHARTER NEGRO LOAN & MORTGAGE COMPANY

Certificate of Incorporation for the Scales Loan and Mortgage Company, of this city, was received by C. M. McKaughan, Clerk of the Superior Court, Wednesday. The Secretary of State authorized the firm to buy and dispose of real estate, notes, mortgages and do a general brokerage business.

Authorized capital was placed at \$20,000 with 800 shares having a par value of \$25 each. Ten shares were subscribed to by each of the following: Robert Scales, W. S. Scales and Willie Mae Scales.

WILSON BANK PUTS EMPHASIS ON THRIFT

Wilson, N. C.—A big factor in the general advancement of Wilson and adjoining counties is The Commercial Bank of Wilson. This bank organized several years ago, has become an institution with the people, lending aid here and there to promote thrift and the accumulation and improvement of homes and farms.

As a member of the National Negro Bankers Association the Commercial Bank is giving sound support to the association. Thrift is the bank's motto. The bank encourages saving, sound investment and wise management and lends assistance in all these directions.

Situated in the largest leaf tobacco market in the world its growth has been stimulated by the patronage of an unusually thrifty and progressive farmer element. The bank has grown in the confidence of the people because of its careful management.

Officers of the Commercial Bank of Wilson are S. H. Vick, president; J. D. Reid, Dr. L. P. Armstrong, C. D. Sauls and W. R. Hinnant, vice presidents, and H. S. Stanback, cashier. Mr. Reid is active vice president. The names of the officers are household words in Wilson and eastern North Carolina. These men stand high in the confidence and esteem of the people of both races.

The Commercial Bank and Trust Company, a race institution, enjoys the cordial respect and cooperation of the white banks of the city and throughout the State.

NO SHORTAGE FOUND IN N. C. BANK

Depleted Reserve Fund Cited
As Cause Of Closing In Kinston Bank

CASHIER DISAPPEARED

Depositors May Lose \$69,000

Unless Bank Reopens

KINSTON, N. C.—Despite the fact that state auditors have been working on the books for the past ten days, no shortage has been found in the books of the People's Bank which closed its doors recently following the disappearance of the cashier, John C. Bantum.

Bantum is said to have fled when the reserve fund became too low to operate. Optimistic officials believe that the bank will open again 30 to 60 days under new management.

The Eureka Building and Loan Association, a separate and distinct organization, is not affected. J. W. Clark is acting as secretary and treasurer.

A statement of the bank's finances is as follows:

Capital, \$24,250; Deposits, \$69,430; Surplus, \$1,500; Other liabilities, \$2,760; Loans and Discounts, \$66,660; Cash and Exchange due from other banks, \$12,100.

Officials of the bank are, president, T. B. Holloway; vice-presidents, J. H. Jones, C. H. Bynum; cashier, J. C. Bantum; assistant cashier, S. A. Canady.

The bank is a member of the State Banking Association and has a safe deposit and savings department.

CASHIER OF BANK MISSING

Kinston Bank Closed
After Discovery

Of Absence

DEPOSITORS ALARMED

Kinston, N. C., March 6—With the closing of the People's Bank here and the taking over of its affairs by the State Corporation Commission, speculation is rife as to the cause of the cashier, John G. Bantum, being missing for several days, and as to the probable effect of the sudden turn of affairs at the institution upon the depositors.

Examiners are working on the books of the bank and the books of the building and loan association carried on in close connection with the bank, but no information on the condition of either of these institutions is available until the examiners report their findings.

Depositors of the bank and the citizens here are thoroughly disturbed, however, for persistent rumors have it that grave irregularities may be uncovered. It is being charged that members of the directorate tipped off favorite depositors as to the bank's condition before the present turn of affairs, thus enabling them to withdraw their deposits. A number of people here had their entire savings deposited in the institution, and they are openly fearful for the worst.

On the other hand it is stated by the directors that no shortage is expected to be uncovered. They say that the Corporation Commission was asked to take over the affairs of the bank, after its cashier had failed to return to his desk, for the protection of the depositors.

Mr. Bantum had been cashier of the institution for a long time. It occupies an attractive building on the lower end of Queen street. The cashier has been missing since Monday, February 25, and ostensibly left the city on a business trip. No reason has been ascribed for his conduct.

Kinston, N. C., Free Press
Wednesday, February 27, 1929

NEGRO BANK ASKS COMMISSION TAKE CHARGE BUSINESS

The directors of the People's Bank, negro institution in South Kinston, today voluntarily asked the Corporation Commission to take charge of the affairs of the bank in order that "all depositors might be fully protected."

It was stated that John G. Bantum, cashier, had "gone off on a business trip and not been heard from since Monday. The reason for his continued absence is unknown to the directors. The directors feel sure that all depositors will be paid in full." It was reported no shortage had been found.

North Carolina

Doors Were Closed by Examiners

Wilson, N. C., Oct. 11.—J. D. Reid and H. S. Stanback, president and cashier of the Commercial bank here, which was closed by state bank examiners last week following a fire in the vault which destroyed valuable papers and records, were arrested Wednesday on charges of forgery and embezzlement.

They were each held in default of \$5,000 bond for their appearance at a preliminary hearing, the date of which has not yet been set. Friends of the men are making an effort to raise bonds for them.

The charges against both bank officials allege the embezzlement of funds from the bank and the forging of indorsements on various checks and appropriating the funds of same to their own use. A charge of receiving deposits while knowing the banking institution to be insolvent at the time of the deposits may be placed against Reid and Stanback later.

State auditors believe that between \$20,000 and \$30,000 in notes and securities were destroyed in the vault fire. Stanback is already under bond on a charge of violating the United States war compensation act, and will face trial this month in the United States district court.

Race Bonding Co. Bails Bank Cashier

WILSON, N. C.—After remaining in the Wilson jail for more than two weeks on the charge of forgery and embezzlement, in connection with the investigation of the closing of the Commercial Bank, H. S. Stanback, cashier of the bank, is at liberty, his bond of \$5,000 having been furnished by the Southern Fidelity and Casualty Company, of Durham. J. D. Reid, vice-president of the bank, is under bond in the same amount. Both men were released from the December term of Wilson Superior Court.

A BANKER WHO BELIEVES IN INVESTING IN ONE'S COMMUNITY

R. L. McDougald of the Mechanics and Farmers' Bank Believes "If You Take Care of Your Community, the Community Will Take Care of You"

DURHAM, N. C., Nov. 7.—An important discussion at the recent fourth annual meeting of the National Negro Bankers' Association in Washington centered around this question: How can the bank best serve the community? Different bankers expressed different points of view. A number of the bankers, however, favored placing a major part of their funds in the call market in New York where a high rate of interest could be received and where, at the same time, the money would be available on demand.

There were others who were opposed to this view and among them was F. L. McDougald, representing the Mechanics & Farmers Bank of Durham. Mr. McDougald, who is vice president and cashier of the Durham bank, believes that if a community entrusts its funds to a given bank, then that bank owes a moral obligation to that community to in turn invest a substantial portion of these funds back into the community rather than send it out of town where the people who have accumulated the money cannot benefit from its accumulation. In other

words, the cashier of the Mechanics & Farmers Bank looks on institutions that place from one-half to two-thirds of their funds in the call loan market as being "money shops" and while "money shops" may be safe, something higher should be the goal of a Negro bank. For instance, Mr. McDougald says: "I believe a bank should in-

vest the major portion of its funds in its own community. My motto is this: 'Take care of the community and the community will take care of you.' Of course every bank should carry a certain amount of money in readily negotiable securities, but I think it unfair to the people of a community to send all of their money out of town rather than extend credit at home where it would tend to develop the community along safe and constructive lines. Another point on which Negro bankers must work is to seek to open up avenues of credit for themselves with well-established white institutions. We must finally come to the place where the white banker will accept our securities as he will accept the securities of other white banks, and the best place to begin this kind of work is at home."

The Mechanics and Farmers Bank has gone far to carry out its idea of being the hub of business and industry in Durham. This year it initiated what is called "The Durham Group Wheel of Progress," which shows a wheel with seventeen spokes representing seventeen Durham institutions, with the bank represented at the hub. These seventeen institutions are the Biltmore Hotel and subsidiaries, Union Insurance & Realty Company, Peoples Building and Loan Association, Royal Knights Saving & Loan Association, T. D. Parham & Associates, Inc., Carolina Times, Mutual Building & Loan Association, Southern Fidelity & Surety Company, N. C. Mutual Life Insurance Company, Mortgage Company of Durham, Bankers Fire Insurance Company, Royal Knights of King David, N. C. College for Negroes, Lincoln Hospital, National Negro Business League, Daisy Scarborough Home, and Durham Colored Library. The Mechanics & Farmers Bank feel it should first serve this group, which is co-operating for a greater Durham, before everything else. The bank feels that if Durham has enough faith in it to entrust its money to its care, then it should have equally as much faith in Durham, and seek to guide Durham to a higher plane of economic development.

One of the main jobs of a good banker, thinks the manager of the Mechanics and Farmers Bank, is to so conduct himself and his business as to inspire confidence in his methods, not only from a point of view of safety, but from a point of view of constructive leadership. The

banker is the key man of the community, and he should create a feeling in the community that above everything else he intends to serve the community's best interests. He should be fair and impartial and deal strict justice, not favors, to everybody, both humble and great, and he should have a reputation for saying No, equal if not exceeding his reputation for saying Yes. But he should conduct himself in such a way that even when he must say No, those whom he turns down should feel he is still their best friend and be willing to continue to follow his lead. It is on this kind of sentiment, and on this spirit of co-operation that the Mechanics & Farmers Bank has built its present resources of three-quarters of a million dollars in a town of only 15,000 Negroes.

The people of Durham, white and colored, have faith in R. L. McDougald. And this faith begins with the bank's board of directors, most of whom are elderly men who are seasoned in the field of business. One of the board members, J. C. Scarborough, who is a substantial Durham citizen of long standing, made his statement: "Why I have the utmost respect for his (the cashier's) ability and capacity, and I have the utmost confidence in him. If I had a million dollars, and it was all I had, I'd unhesitatingly trust every cent of it in the Mechanics & Farmers Bank. And he has around him a fine set of young men as can be found. Mr. Wilson, Mr. Pratt and he others are men of whom the entire city feels proud. I am sure every other member of the board would say the same thing I have said." The board members are Dr. S. L. Warren, chairman; J. C. Scarborough, W. H. Wilson, Dr. W. C. Strudwick, Dr. Clyde Donnell, Dr. L. E. McCauley, Prof. J. W. Holmes, E. R. Merrick, L. Pearson, Berry O'Kelly, C. C. Paulding, Prof. W. G. Pearson, Chas. Frazier, Dr. James E. Shepard, F. McCoy, Britton Pearce, J. M. Avery and R. L. McDougald.

While the Cashier realizes his importance, he also realizes his responsibility. Frequently he is in conference with the older men on the board, men like Prof. W. G. Pearson and Dr. S. L. Warren. He calls these little conferences "keeping in touch" with the key men of the community. One thing above all the bank is bent on doing, is to keep all of Durham's best and most substantial interests tied to the bank. It is through "co-operation" that the bank has attained its present size, and it will be through "co-operation" that it will become bigger and better in the future.



R. L. McDOUGALD

words, the cashier of the Mechanics & Farmers Bank looks on institutions that place from one-half to two-thirds of their funds in the call loan market as being "money shops" and while "money shops" may be safe, something higher should be the goal of a Negro bank.

For instance, Mr. McDougald says: "I believe a bank should in-

Banks - 1929

NEGRO BANKERS SPONSOR THRIFT WEEK, FEB. 11 TO 16

PHILADELPHIA, Jan. 24.—The first annual "thrift week" of the National Negro Bankers' Association will be held beginning February 11 and will extend throughout the six banking days following that date. This has been decided by President R. R. Wright and his associates of that organization.

Major Wright, who is now on an educational tour of the Negro banking centers of the country, has arranged for special meetings, conferences and educational programs in the cities where banks are in existence. This series of banking propaganda will probably culminate in each city with a monster mass meeting featuring leaders in thought, education and finance.

The people will be told verbally and through the press of the value of saving in their own institutions and the slogan of the week will be "Save in the nearest bank of your group."

There are about forty member banks and associations in the National Negro Bankers' Association and all of them are enthusiastic in the united program of February 11 to 16, inclusive.

Citizens Southern, Keystone Merger Saved Latter

By FRANKLIN PENN
PHILADELPHIA, Pa., Feb. 7.—That the Citizens and Southern Bank and Trust Company had to "absorb" the Keystone Co-operative Bank, of this city, over a year ago in order to save the depositors of that institution and possibly prolong its own life, is dramatically revealed in the annual report of President R. R. Wright, Sr., to the stockholders of the Citizens and Southern, released here today.

Thus the inside story of this financial coup comes to light and brief words tell the desperate measures which were resorted to by the officers of the now almost forgotten Keystone.

There was hardly \$5,000 available with which to meet deposit liabilities of over \$80,000. The directors of the Keystone Bank appealed to the Citizens and Southern for aid, asked for help to absorb another banking failure and the result was the "merger" which took place late in 1927.

That the Citizens and Southern was able to float such a task and was able to return many thousands of dollars to the men behind the Keystone after realizing on the "frozen" assets of the Keystone is a tribute to the efficiency and financial safety of the former bank.

PROMINENT CITIZENS IN LIST OF DEBTORS

Depositors May Receive Dividends If Cash From Sale Of Notes Is Sufficient

As a climax to a series of legal processes following the sensational closing of the doors of the Steel City Bank on January 12, 1926, an order of court authorizing a public sale of the assets of the defunct bank, to be held July 26, was issued Saturday morning in the Court of Common Pleas, Judge Ambrose B. Reid presiding. Many prominent local business and professional men are caught in the big foreclosure crash which involves thousands of dollars. The public sale will mainly be an attempt to dispose of a number of uncollected notes, bills receivable, judgments and minor overdrafts.

Shortly after the sale, a complete final report of all tangible assets will be made by the State Banking Department, after which suit will probably be brought against the stockholders, including the former directors, who are said to be liable according to law.

Debtors Listed

Among the persons against whom uncollected notes are held in amount over \$50, according to the court records, are the following: A. A. Banks, \$54; Joseph V. Battle, \$245; J. A. Brown, \$60; H. J. Carlos, \$68.56; R. F. Douglass, \$395.78, \$600 and \$250; Charles W. Gant, \$293.20; James Grant, \$63.70; Lee Gross, \$151.04; James H. Hall, \$393.99; Ray E. Hansard, \$115.95; Larney E. Hardy, \$111.33; Rufus Harvey, \$291.68 and \$110.50; Home Finders League, \$6,821.36, \$25,000, \$25,000, \$25,000 and \$25,000; Chas. Holston, \$180.23; W. H. Hughes, \$783.30; W. H. Jeffries, \$699.45; A. N. Johnson, \$85; O. L. and I. M. Johnson, \$123.90; Olive H. Jordan, \$52.08; L. R. Lloyd, \$220.00; minor overdrafts which total \$59.64; H. J. Malcolm, \$75; W. H. Moody, \$185.85; J. S. Patton, \$2,370.71; Pittsburgh American Pub. Co., \$2,393.58; Geo. Richardson, \$210.35; Fred S. Sahadi, \$100; E. Naylor, \$192.13; Mildred Thompson, \$125; A. L. Thornton, \$110; W. G. Thornton, \$574.64; Jerry Upshaw, \$326.25; L. H. Walker, \$99, and Thomas Welch, \$57.15. The Publishing Company is not clearly total amount of unpaid notes totals \$120,919.58. In all except seven instances the Steel City Bank was the only endorser. Notes on which judgment has already been secured are against the following: W. A. Greenlee and Helen Greenlee, \$845.08; Home Finders League, \$25,000; Powell Mercantile Co., \$1,075.84; A. D. Stevenson, \$100, \$835 and \$477.71; G. W. Stevenson and A. D. Stevenson, \$637.31.

In addition to the above items, minor overdrafts which total \$59.64 are included in the court report. According to the examiners, there is small likelihood of the depositors being able to realize anything in the way of additional dividends. The extent which the defunct bank carried and shouldered the losses in the Pittsburgh American is not clearly set forth. It is alleged that some disposition was made of part of the bank. The transactions and manipulations of the managers and officials of the bank makes it appear that the failure of the institution was probably due to ignorance rather than downright dishonesty.

Banking Expert Believes Notes Worthless

In a petition asking for permission to put the assets of the defunct

bank up for public sale, the petitioners, Peter G. Cameron and Frank W. Jackson, state banking officials made the following affirmations:

"That during the period that has elapsed since January 23, 1926, when he was placed in charge of said trust, he has collected or converted into cash all the assets of said trust which could be realized upon in full and other assets of said trust by settlement and compromise under the authority of your honorable court. The remaining assets of said trust, consisting of notes or bills receivable and judgments entered in the Court of Common Pleas of Allegheny county, Pennsylvania, and several items of overdrafts that existed at the time he took charge of said trust all of which are of the nominal face value of \$140,051.06."

"Of the notes or bills receivable, judgments and overdrafts, your petitioner avers that a very great majority thereof are worthless and uncollectable, and although judgments have been entered in some instances against the creditors, in the opinion of your petitioner, he is not justified in spending moneys out of said trust in an attempt to enforce payment of any or all of these doubtful claims."

"Your petitioner further is informed and therefore believes that the Steel City Banking Company is a partnership and that each and every shareholder is a partner and liable under the law for any deficit or shortage that may be found to exist after the assets in the petitioners hands have been converted and applied to the payment of the sum or sums due to the depositors, and further avers that it is for the best interests of the depositors and creditors of said Steel City Banking Company that the remaining assets above-recited be speedily sold or compromised to the end that the liability of the alleged partners be determined as a basis for such further action as under the law may become necessary."

Order of Court Issued

In view of the petitioners' statements, the following order of court was issued:

"And now, to-wit, July 6, 1929, the within petition having been presented in open court, after due consideration thereof, it is hereby ordered and directed that Frank W. Jackson, special deputy secretary of banking, in charge of the business and property of the Steel City Banking Company, be, and he is hereby authorized and directed to offer at public sale and sell to the highest bidder all of the assets of the said Steel City Banking Company remaining uncollected and unconverted as more particularly described in the detailed statement attached to the within petition."

Notice of said public sale to be given by publication once a week for three weeks in the Pittsburgh Legal Journal and one newspaper of general circulation in Allegheny county, said notice to state among other things that the detailed statement of the said assets is attached to the within petition and on file at the within number and term where prospective purchasers may examine the same, petitioner to have authority to compromise any claims by

leave of court at any time prior to sale."

Bank Closing Recalled

The closing of the Steel City Bank was one of the most startling happenings in Pittsburgh's financial history. At a time when the up-town bank had just established a branch office in East Liberty and seemed prospering. Like a flash out of a clear sky, the State Banking Department officials took charge at 10 o'clock Tuesday morning, January 12, 1926. It was indicated then that "frozen" assets, the result of extensive loans on real estate, which the bank had been unable to convert into cash, had caused the reserve fund to become entirely exhausted. It was alleged at that time that soon after the bank examiners went into the bank that they discovered that the Home Finders' League had been one of the main organizations which had wrecked the depositors' accounts. It was indicated that the Home Finders' League, of which Rev. M. S. Hunter was president, owed the bank and its depositors \$195,000, whereas the bank in turn held only several notes negotiated by Rev. Hunter.

\$300,000 Had Been Deposited

From statistics compiled at the time of the closing of the bank, deposits had been made to the amount of \$300,000 by 5,000 persons. The total assets then were set at \$488,000 of which 40 per cent was composed of mortgages on which returns were considered slow. The paid-in capital of the company was estimated at \$85,960 at that time. Depositors of the defunct Steel City Banking Company, which closed its doors several years ago and for a time threatened to involve prominent local folk in a sensational expose, will be getting another check in the near future, according to an account filed in the office of the prothonotary of Allegheny county. *Courier*

The second and partial account in the liquidation of the bank was filed by Peter G. Cameron, secretary of Banking of the Commonwealth of Pennsylvania, November 25.

Depositors have been notified that unless exceptions shall be filed within 30 days of filing of the account, it will be confirmed absolutely. *Fuller*

Clerks in the prothonotary's office, expressing the belief that there would be no exceptions filed, stated that checks to depositors would be placed in the mail on Thursday, December 26, or the day AFTER Christmas.

BANKS-1929

South Carolina.

VICTORY SAVINGS BANK PAYS CHRISTMAS SAVINGS CLUBS EARLY

Considering the serious economic conditions that confronted the whole country this year, and especially as it affected our group all over the country throwing so many of our people out of work and we could not get regular employment and especially was this true here in Columbia, and still our loyal people stood by the Victory Savings Bank and its officers when there were others who did all they could to destroy it, altho it means the world and all to our people here in Columbia, and we do not know what our people would do in Columbia without the aid of this bank.

The officers of this bank are deeply indebted to our people as well as to our white customers and friends for their loyal support given us this year, for the above reasons we are determined to render better and more efficient service each day and year.

Beginning Monday, December 2nd, we will begin to pay Christmas Savings Clubs which is \$33,468.41, the largest amount paid in any one year since we began. We are doing this so that our members will have their money to pay their City Tax before December 15th, on which date a 10 per cent penalty goes on, and too we want our members to have their money early with which to do their Christmas shopping.

The new Christmas Clubs for 1930 will also open on December 2nd and our goal will be \$50,000.00. A small systematic saving by every man, woman and child will easily make this sum possible.

DIRECTIONS FOR PAYING

Clubs will be paid alphabetically as follows:

A, B, C, D will be paid Monday, December 2nd.

E, F, G, H, and I will be paid Tuesday, December 3rd.

J, K, L, M, N, O and P will be paid Wednesday, December 4th.

Q, R, S, T, U, V, W, X, Y and Z will be paid Thursday, and Friday, December 5th and 6th.

W H HARVEY, President, Victory Savings Bank

Banks - 1929

WRECKERS OF MEMPHIS BANK ARE SET FREE

Paroled After 2 Years
by Governor

Nashville, Tenn., June 21.—
Alfred F. Ward, LeRoy W. Williams and E. J. Rasberry, bank officials who wrecked the Fraternal Solvent Savings bank at Memphis two years ago, were paroled here Wednesday from the state penitentiary by Gov. Henry Horton.

Ward was president of the defunct bank, and at the time of its failure signed a confession that he stole more than \$50,000 of the institution's funds. He was sentenced to 10 years in prison. Williams and Rasberry, minor officials, were given five years each in the penitentiary.

Closed In, 1927

The Fraternal Solvent Savings bank, one of the oldest and largest financial institutions of its kind in this country, closed its doors the latter part of December, 1927, on orders of the Tennessee state bank examiners, who found shortages totaling more than \$1,000,000. These shortages, it was alleged, were due mainly to the embezzlements of Ward. Thousands of depositors throughout Tennessee lost their life savings, including hundreds of accounts kept by children.

Ward's parole, it is stated, was engineered by Dr. J. B. Martin, a Memphis druggist, who was vice president of the bank at the time of its failure. Dr. Martin, who is Ward's personal friend, is alleged to have been untiring in his efforts to get the banker released from prison. He has made numerous trips here to see Ward and was here last week for a final conference with the prisoner. The other vice presidents of the bank were Dr. J. E. Walker, who was arrested when the bank failed, but the case against whom was dismissed about two weeks ago, and Waymar Wilkerson, who committed suicide shortly after Ward and his associates were taken to the penitentiary.

New Trial In September

T. H. Hayes, G. W. Atkins and J. L. Yancy, officers of the defunct bank, who won a reversal of their prison sentences Saturday before the

Tennessee supreme court, will be tried again on charges of fraudulent breach of trust. It is probable that they will go to trial again during the September term of court.

The state supreme court held that the state had failed to show by a preponderance of evidence that the officials were guilty of making false entries and juggling the books to the detriment of the bank. Their conviction, from which the appeal was made, was on June 2, 1928. Hayes, former president of the bank, was accused of stealing \$21,403 by manipulating the account of the Tennessee Knights of Pythias, of which he was an endowment trustee. Atkins, vice president, and Yancy, assistant cashier, were said to have "doctored" the books to delude bank examiners. Hayes was sentenced to one year and Atkins and Yancy to five years each.

UGLY
RUMORS
AFLOAT

MEMPHIS, Tenn., June 27.

—(By A. N. P.)—Reports that A. F. Ward, Leroy Williams and E. J. Rasberry, officers of the defunct Solvent and Fraternal Bank, who were sentenced to serve 10, 5 and 5 years, respectively, in prison for embezzlement, had been released from prison after serving about one year have given rise to many ugly rumors which were circulated when the institution failed.

These rumors are to the effect that the failure of the bank was the outcome of a distinct conspiracy between white interests and the officers of the bank to bring about the extinction of the institution which was looked upon as an indication of too much economic independence.

When the officers of the bank were sentenced it was also rumored that they would not serve the allotted time and since it has been reported that they have been released, it is the consensus of opinion that powerful forces have been working in their behalf and those who instigated the rumor knew whereof they spoke. It is freely predicted that the other defendants

regarded as less culpable who were indicted and tried and who are now awaiting appeals will never be imprisoned.

The Solvent and Fraternal Savings Bank resulted from the merger of two banks, alleged to have been suggested by the State Banking Department. The institution was considered one of the strongest banks owned and operated by the Negro in America and its failure came as a distinct shock not only to the stockholders and depositors but to the financial world as far as Negroes were concerned.

Memphis Bank Pays Dividend

Depositors Now Collecting First
Dividend of \$66,000

Memphis, Tenn., June 27.—The Fraternal and Solvent Savings Bank and Trust Company which failed for a million dollars, may pay 10 percent in all to depositors, it was stated by R. W. Hall, liquidating officer of the defunct bank, as long lines of depositors continued to collect their portions of the first dividend.

The dividend for five percent a year amounts to about \$66,000 and is being paid at the former Liberty Savings Bank and Trust Company Building, 78 Madison Avenue. About one-third of the \$66,000 had been paid out yesterday, although the distribution began a week ago.

NEGRO BANKERS FACE ANOTHER FRAUD TRIAL

Supreme Court Reverses
Conviction of Trio.

RULES PROOF LACKING

Officers in Defunct Institution
Were Found Guilty Last June
and Sentenced to Prison—None
Has Ever Served a Day.

T. H. Hayes, G. W. Atkins, and
J. L. Yancy, negro officers of the

defunct Solvent Savings Bank, who won a reversal of their prison sentences yesterday before the supreme court, will be tried again on charges of fraudulent breach of trust.

According to Attorney General W. Tyler McLain, it is probable that they will go to trial again during the September term of court. The supreme court held that the state had failed to show by a preponderance of evidence that the negroes were guilty of making false entries and juggling the books to the detriment of the bank. Their conviction, from which the appeal was made, was on June 2, 1928.

Manipulation Charged

Hayes, president of the bank, was accused of stealing \$21,403.35 by manipulating the account of the colored Knights of Pythias, of which he was endowment trustee. Atkins, vice president, and Yancy, assistant cashier, were said to have "doctored" the books to delude bank examiners. Hayes was sentenced to one year and Atkins and Yancy to five years each.

Just before the crash of the Solvent Bank, it was merged with another negro institution, the Fraternal Savings Bank. After the merger the combined institution crashed with a loss of more than \$1,000,000 to depositors.

A. F. Ward, president of the Fraternal, pleaded guilty to looting his bank of \$170,000 and E. J. Rasberry and Leroy Williams, officers, took five years each for aiding and abetting. They were paroled Friday by Governor Horton, after having served more than one

year.

Atkins, Yancy and Hayes—the latter a negro undertaker—never served a day for their connection with the affairs of the Solvent. They appealed through Harry T. Holman and Charles M. Bryan, their attorneys, and remained at liberty on bond. The supreme court's action yesterday means they will be at liberty until tried again.

One of the mysteries of the case, in Gen. McLain's opinion, was the jury's action in giving Hayes only one year and his alleged accomplices five years. Hayes, at the trial, however maintained his only function at the bank was "to walk around and look important." He knew nothing of banks nor bankers, he said.

WRECKING OUR CREDIT

When Governor Henry Horton of Tennessee paroled the three officials of the defunct Fraternal Solvent Savings bank of Memphis after they had spent less than two years behind the bars for wrecking that institution, he did the Race no favor. Neither did he aid us in the fight for a more secure economic foundation in America.

The men found guilty of deliberate stealing in connection with this bank were deserving of no sympathy. It is bad enough for our business and for our credit in general when our banking institutions fail through mismanagement and lack of proper knowledge of that field. But when men to whom we intrust our hard earned savings conspire to rob us for their own personal gain they have robbed themselves of whatever respect and consideration they might have merited.

Our business is not in the best of condition as it is. Already our institutions are feeling the effects of the lack of confidence which has resulted from so many bank and insurance failures. Just when we were beginning to overcome the native prejudices most of our people have had against dealing with their own institutions, this Memphis bank failure came along to shake this confidence and to throw business back another 50 years. For these reasons, if for no others, the men responsible should be punished according to the seriousness of their crime. Governor Horton was paying us a doubtful compliment to assume that we want men released who have betrayed us.

Citizens Bank Issues Checks Monday

Thirty Thousand Will be Paid to Club Members

CHRISTMAS SAVINGS FOR 1930 MEMBERSHIP NOW OPEN TO ALL APPLICANTS

More than \$30,000.00 will be distributed to the members of the 1929 Christmas Savings Clubs by the Citizens Savings Bank and Trust Company of this city, next week. This information was given out by the president of the institution after he had held a conference with the assistant cashier, who, with the clerks, were busily at work preparing the Christmas Savings checks. This vast amount of money has been accumulated during this past year by the members of the clubs who deposited their small savings each week; some were pennies, others were nickels, some were dimes and a few of them were in 25 cents clubs.

The president urges that all members of the clubs bring their Xmas Savings books to the bank during banking hours where they might receive their checks and surrender the books. He expresses the opinion that this form of service has been greatly helpful to members of the clubs, as many of them would not have had money to do their Christmas shopping had they not saved it up in small bits during the year.

Not only are there individual members of the clubs, but scores of Sunday Schools, Churches, Sunday School Classes and Auxiliaries of the churches have adopted this manner of saving money during the year. The young lady who has charge of the Christmas Savings Department, Miss Mary Walter, was enthusiastic over the prospects for the 1930 clubs, whose books were opened last week. Scores of members have already joined for the new year, and a number of the people are redepositing their entire checks, since they have learned the saving habit. They are converting their Christmas savings money into regular savings accounts.

The Cashier, Mr. J. C. Napier, the

assistant cashier, Mr. A. G. Price, the receiving teller, Mr. Wesley Maney, the bookkeeper, Mr. Meredith Ferguson, the assistant bookkeeper, Miss Lucile Jordan, the stenographer, Miss Mattie Sue Jones, have all been busy for more than a week, arranging these checks, balancing up the accounts and getting ready for the distribution of the funds, which will begin as soon as the bank opens Monday morning, December 16th.

BANKERS' CASES DROPPED

MEMPHIS, Tenn., Dec. 5.—

(A. N. P.) — Charges of embezzlement against T. H. Hayes, G. W. Atkins and J. L. Yancey of the defunct Fraternal and Solvent Bank, were dropped here Tuesday because the state had no evidence to offer than that submitted at a previous trial.

The officials of the bank were charged with embezzling the funds of the bank, which was closed some two years ago, at which time the president and other officials were sent to prison.

Banks-1929

Virginia

STEADY GROWTH OF DANVILLE BANK SHOWN IN REPORT

NEGRO WOMAN IS THE HEAD OF A THRIVING BANK

Stockholders Meeting One Of The Most Enthusiastic Held In History of Institution

Danville, Va.—The stockholders of Danville Savings Bank and Trust Company, held their tenth annual meeting on Friday night, April 26, in the auditorium of the Richmond Beneficial Insurance Company's building, 514 Spring street. High attendance of the 22 stockholders were present, representing 3,409 of the 5,000 shares of the bank's capital stock.

It was generally conceded to be one of the best and most enthusiastic meetings of this nature ever held in the city and everyone left having pledged himself to work more earnestly for the building of a stronger and larger bank than ever before.

Director's Report
The directors' report made through M. C. Martin, Cashier, showed substantial growth made during the year despite the general hard times. A 20 per cent increase had been made in the surplus of the bank during the year and \$4,874.15 carried to the undivided profits account. The earnings on the stockholders' capital investment for the year was 14.75 per cent.

The capital liabilities of the bank now are: Capital, \$50,000.00; surplus, \$15,000.00, and undivided profits, \$6,310.76, the surplus plus the undivided profits being more than 43 per cent of Deposits Show Increase

The deposits amount to \$162,862.50 and the cash bank deposit reserve amount to \$17,431.40, nearly 11 per cent of the total deposit account, including the time deposits.

The importance of the bank's trust department was emphasized and many of the stockholders pointed out the wisdom of drawing their wills and naming their bank as executor or trustee of their estates.

The board of fifteen members was re-elected for another year, without a dissenting vote, as follows: G. W. Goode, Chairman; E. G. Adams, J. H. Adams, P. H. Doswell, Chas. Duke, J. E. Geary, W. F. Grasty, F. P. Graves, W. H. Hubbard, Theo. Manuel, R. O. Martin, Irvin W. Taylor, Watkin Thompson, W. H. Wilson, and A. L. Winslow.

The newly elected Board upon retirement presented the following officers and office personnel for the ensuing year: Watkin Thompson, president; P. H. Doswell and A. L. Winslow, vice-presidents; M. Conrad Martin, cashier; paying and receiving teller, Henry A. Myers; teller-bookkeeper, Miss Naomi K. Clark; and bookkeeper, James G. Hughes.

Only One of Many Things Mrs. Maude Walker Has Done for Her Race

Women bankers are very rare indeed. But the reason the subject of this sketch deserves special mention is because she is the only woman banker in the United States who has African blood in her veins. And there is every reason to believe she is the only one of her race in the world who presides over the directors of a bank.

As you pass the corner of 1st and Marshall streets in Richmond, Va., you see the St. Luke Bank and Trust company, of which Mrs. Maggie Mitchell Walker is president. Twenty-six years ago, at the suggestion of this remarkable woman, a bank was started under the name of the St. Luke Penny Savings bank. She was then secretary of the Independent Order of St. Luke and she persuaded the directors and members of that organization that it would be a good thing to establish a bank which could invest a part of the idle funds of the order and add to its wealth.

Later on the Legislature of Virginia enacted a law which forced the separation of secret orders and their banks and the name was changed to "The Saint Luke's Bank and Trust company." Under the presidency of Mrs. Walker this bank is conceded to be one of the best managed financial institutions in the United States. When the bank was established it had deposits of only \$8,000, which have reached \$500,000 today.

Her father, William Mitchell, born a slave, was the head waiter of the St. Charles hotel of Richmond, which was about as high a rung on the ladder as men of his group could hope to reach. He provided a comfortable home for his family not far from the house said to have been occupied by Edgar Allan Poe when he was a boy, living with John Allen, his adopted father. All of a sudden her father disappeared. For five days his family, his friends and the police of Richmond searched for him and then found his lifeless body in the river. There was little doubt that William Mitchell had been robbed, murdered and his body thrown into the James.

After her father's death the daughter's condition in life was completely changed. Her mother had her two children, a son and a daughter. She knew she could make more money tak-

ing in washing than by engaging in anything else, and this she resolved to do on as large a scale as possible. Maggie was an invaluable assistant. She helped with the cooking, the washing and ironing and fetched and carried clothes.

But in spite of the hard manual labor she had to perform, Maggie Mitchell graduated from the High School which had been established for colored children in 1883. After that she taught for three years in this school in which she had formerly been a pupil, and then married Armstead Walker.

When Maggie Mitchell was only 14 years old she took a step which influenced and shaped her whole life. She joined the Independent Order of St. Luke. This order was formed in Baltimore in 1867 by Mary Prout, who had been a slave, shortly after the Emancipation Proclamation set her free. Deeply moved by the helplessness and misery she saw around her, this ex-slave conceived the idea of establishing a fraternal organization which could minister to the sick and bury the dead.

While the benefit to be derived from such an organization was apparent to those whom it was designed to help, nevertheless its growth was painfully slow. But the straw which seemed to break the camel's back was the sudden resignation of the man who had served it as secretary for 30 years—from 1869 to 1899. There was only \$31.60 in the treasury and unpaid bills amounting to \$400.

In the midst of this chaos and confusion, Maggie Walker was elected to succeed him. No sooner had she entered upon her duties than the organization took on new life and began to grow. The new secretary's personal magnetism, her earnestness, her marked ability as a clear, forceful, persuasive speaker and her keen business acumen enabled her to work wonders in building up the organization in a very short time.

The \$31.60 which Mrs. Walker found in the treasury when she was elected 30 years ago, has increased to more than \$500,000. And that, too, in spite of the fact that nearly \$2,000,000 in death claims have been paid. The membership has grown from a little more than 3,000 to 103,000.

To Mrs. Walker is largely due the credit of the rapidity with which the order has spread all over the United States. She felt the necessity of having an official organ. The St. Luke Herald was founded, one of the best newspapers the colored American has.

An educational loan fund is another child of Mrs. Walker's brain. She has been instrumental in having the board of trustees recommend the establishment of such a fund so that the members of the order may "complete a practical education," provided they have been members of the organization one year, are recommended by their teachers and by their local circles also.

One of the greatest services Mrs. Walker has rendered the Order of St. Luke was to found the juvenile department. Having started, in 1895, with 8,000 children, the membership has increased to more than 20,000.

The celebration of the 20th anniversary of Mrs. Walker's services as the right worthy grand secretary-treasurer of the Independent Order of St. Luke was one of the most remarkable ever observed in the United States.

But in spite of the splendid work which she has done, Mrs. Walker's life has not always been a bed of roses. Only once, however, has she been openly attacked by her enemies. The cabal against her followed close upon a terrible tragedy in her family.

Russell, the elder of her two sons, shot and killed his father, whom he mistook for a burglar in the home. The coroner's jury declared the shooting accidental and the judge who presided at the force court trial reached the same conclusion and Russell was acquitted.

But Mrs. Walker's enemies succeeded in having her son arrested again on the charge that he had deliberately murdered his father. But again a white jury in Richmond, Va., returned a verdict of not guilty.

Her enemies thought this would be an opportune moment to attack her. At a largely attended meeting of the order they declared that the secretary should be removed. But Mrs. Walker's simple, straightforward statement of the development and growth of the organization during her administration was so convincing that she was overwhelmingly re-elected.

She is the founder of "The Council of Colored Women," which was organized in Richmond in 1912. It has had on its roll as many as 1,000 women. It has raised funds for the Colored Industrial School at Peaks, Va.; it has supported a colored visiting nurse in Richmond; it has helped to establish and maintain the Community House there; it has helped the Anti-Tuberculosis association to establish a colored sanitarium at Burkeville, Va., and has done other charitable and relief work. Since it has been organized the club has expended nearly \$40,000 and owns its own club home, which is valued at \$30,000.

The old adage that a prophet is not without honor save in his own country fails in Mrs. Walker's case. This was strikingly illustrated when the St. Luke order celebrated the 25th anniversary of its secretary-treasurer's services in 1924. As a mark of respect and admiration for Mrs. Walker the governor of Virginia participated in the exercises and paid her a glowing tribute.

Among other things he said Gov. Lee Trinkle told the people who crowded the city auditorium of Richmond that, "If the state of Virginia had done no more in 50 years with the funds spent on the education of the Negroes than educate Mrs. Walker the state would have been repaid for its outlay and efforts."

ENDORSE BANK MERGER

12/28/29
Richmond Merger Represents Capital of \$100,000

RICHMOND, Va., Dec. 26—Application of the Second Street Savings Bank to merge with the St. Luke Bank and Trust Company was granted Monday by the State Corpora-

tion Commission. The new institution will be known as the Consolidated Bank and Trust Company with a maximum capital of \$100,000,000. The consolidation was made to curtail expenses of the two banks, according to Emmett C. Burke, president of the new bank, who was formerly cashier of the St. Luke Bank and Trust Company. Mrs. Maggie L. Walker, former president of the St. Luke Bank, becomes chairman of the board of directors of the new institution.

John T. Taylor, president of the Second Street Savings Bank, will be vice chairman of the board of directors. Other officers are: Quinn Shelton, J. T. Ewin, B. F. Johnson, F. W. Robinson Jr., vice presidents, and Walter F. Banks and Melvin B. Walker, secretary and assistant secretary.

Operations of the new bank will be conducted from 329 North First street, the present site of the St. Luke Bank.

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NEGRO HEADS NEW BANK

For Forty Years President She Becomes
Chairman After Merger

Special Despatch to The World

RICHMOND, Va., Dec. 15.—Mrs. Maggie L. Walker, Negro, probably the first woman in the United States to be President of a bank, will be Chairman of the Board of the Consolidated Bank and Trust Company, a merger of St. Luke's Bank and Trust Company and the Second Street Savings Bank of Richmond, both of which are officered entirely by Negroes and serve Negro clienteles.

Mrs. Walker for forty years has headed her own bank. She started in the banking business with the organization by her of the St. Luke's Penny Savings Bank, and for many years has been President of the St. Luke's Beneficial Association.

The Consolidated Bank and Trust Company will start under that name Jan. 2, with a capital of \$75,000 and surplus of \$50,000. After paying the regular semi-annual dividend, averaging 4 per cent., the bank will still have undivided profits of \$5,000. The banks have approximately 7,500 depositors.

NEGRO WOMAN HEADS BANKING MERGER

**Mrs. Maggie L. Walker Is
Chairman of Board**

Richmond, Va., Dec. 15.—Mrs. Maggie L. Walker, Negro, probably the first woman in the United States to be president of a bank, will be chairman of the Board of the Consolidated Bank and Trust Company, a merger of St. Luke's Bank and Trust Company and the Second Street Savings Bank of Richmond, both of which are officered entirely by Negroes and serve Negro clienteles.

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